INTEGRATED URBAN DEVELOPMENT STRATEGY

Summary
October 2015
The development of European cities is of main importance within the European Union’s integrated strategy (Europe 2020), which focuses on intelligent, sustainable and inclusive growth. In order to fight against social exclusion, it prescribes employment, Research & Development, climate protection, sustainable energy management, education and poverty targets, to be achieved across the whole European Union.

The dimensions of a strategic city are presented in the 7th intermediate progress report issued by the European Committee (November 2011). The publication argues that local needs must be answered by an integrated approach that takes into account local specificities.

In Hungary, the law regarding the built environmental restructuring and protection matters, impose that the Local Government of Budapest must decide on the integrated urban development strategy. According to the law, this integrated urban development strategy is a mid–term development strategy, that aims to serve environmental, social and economic goals simultaneously.

The long-term urban development concept, called Budapest 2030 and accepted by the General Assembly of Budapest, determines the city’s development plans and visions in the long term. In harmony with the goals of Budapest 2030, the role of the Integrated Urban Development Strategy, called Budapest 2020 is to determine the city’s mid-term development duties, along with programs for the Budapest City Council. Within this frame, its key project is that assists in the implementation, integrated action plans and basic conditions.
Budapest 2020 methodology and structure

The structure and approval process of integrated urban development strategies are prescribed by Government regulation, relating to the urban development procedures and special legal institutions.

The main chapters of the document are as follows:

**Basic stage:**
- Situation analysis stage
- Assessment stage

**Strategic stage:**
- Mid-term goals and their context
- Implementation facilitating interventions
- Anti-segregation program
- The strategy's internal and external links
- The main risks for the realization of the strategy
- Implementation tools and monitoring

Considering Budapest’s long term urban development plan were created and approved recently, the Budapest 2020 relied heavily on investigations and situation assessments provided as part of the Budapest 2030. Investigations included in the Budapest 2020, were destined to update and add specific information to the relevant chapters of the Budapest 2030. The aim was to present the natural changes in the city's strategic and economic processes that have had a significant effect on this strategy, by analysing areas that could relate to national and EU main development goals.

Apart from the integration of city conception analysis, the Budapest 2020 chooses realisable mid-term goals which harmonise the hierarchical goal system and on this mid-term they are able to contribute to its implementation at the highest possible degree.
Dominant coherences between urban development plan’s goals

BUDAPEST 2030 (long-term)

• Urban development as an initiating force
• Unified Budapest
• Regional and national partnerships
• Self-sustainable urban management
• Climate protection and efficient energy use
• Intelligent mobility
• Healthy environmental conditions
• Compact city: effective, balanced city structure
• Balanced human services
• Cultural diversity
• Flexible housing structure
• Preserving the city’s individual character
• The city living with the Danube
• Knowledge-, skill- and green-based economic development
• Budapest’s international role
• Brownfield area development
• Inclusive, supportive and active society

BUDAPEST 2020 (mid-term)

Initiator, cooperative and open-minded city development
Intelligent city operation
Attractive urban living conditions
The city living with the Danube
Business investment and employment friendly economic environment
Responsible, solidarity and active people

BUDapest 2020
It is important to note that as a part of this Budapest 2020 methodology, that the planning and negotiating of operative programs founded by the 2014-2020 EU support was taken place simultaneously to the creation of these documents. During the creation of the Budapest 2020 a special attention was devoted to handling and integrating information resulting from a continuously changing external environment, therefore the Budapest 2020 includes the planned developments for 2014-2020.

These development areas serve as a base for the development of a further branch and scope strategies, programs and short-term action plans, all this creates a strategic frame for the precise development or creation of new projects. The continuity of the planning creates an opportunity and necessity for the continuous contact, communication and cooperation with the people concerned and the development of the city.
Correlation of mid-term goals

At the creation of strategic goals, it was necessary to adopt an approach that analyses the potentials, capabilities and solutions. The improvement to the capital’s population, and keeping capacity through reinforcement of its international position became primordial. These are goals that cannot be implemented without building on the common goals and also, mutually reinforcing capabilities in the long term.

In order to stabilise population numbers and rejuvenate the society, it is necessary to make urban life more attractive to the younger generation, and also attracting qualified, foreign employees. Budapest has changed significantly over recent years in these aspects. This positive trend should be sustained and reinforced by the improvement of the urban environment and the quality of services available. Becoming a “meeting point” was just the first step, the goal is that younger generations will come to the capital, not only for entertainment purposes, but to imagine their futures here. Similarly, it is necessary to centre development policies on the creation of requirements to promote: a comfortable family life, jobs, mental and physical regeneration and the reinforcement of community life.

This area of Budapest is the motor of the Hungarian economy; its performance development speed determines the whole country’s economic results and international reputation. In spite of the fact that the reinforcement of Hungary’s international position has already been a focal point of all strategic plans, Budapest has not yet succeeded in defining its exact role. Its position is still a matter of debate that can only be successful if the government can back it up. According to situation analysis, international roles can be reinforced in three areas:

1. Budapest as a start-up and innovation centre at least at macro-regional level
2. Budapest as health industry centre
3. Budapest as touristic destination
Two mid-term goals support to reach the integrated target:

- **Increasing economic performance** (at international level)
- **Improving life quality** (quality urban life)

To assist economic prosperity and to improve life quality are two equally important and correlated goals.

**To improve the city and to create jobs at the same time, can only be achieved with a strong economic base.**

Economic prosperity needs a healthy, educated, flexible and open-minded community that enjoys living and working in Budapest. It provides accessible services and a positive urban environment. However, improving the quality of life is not only important in order to attract and capture a work force and achieve a balanced society but also to attract more tourists to Budapest, which can also be beneficial to other sectors as well – creative sector, health sector, etc.

Neither the economy nor the improvement of life quality can be managed without the help of its people. In order to generate common success, it needs cooperation and responsibility assertion from everyone included, from changes in the life style of individuals through to governmental measures.

**When a society tries to recover from an economic crisis, it needs to face the fact that not only the structure of funding resources changed, but that it is also necessary to implement changes complying with the city’s sustainable operating. More effective resource – management and the possibilities offered by cooperation are becoming more valuable.**

The Municipality of Budapest tries to reach its specific goals by following five thematic and one territorial goal. Therefore it is not necessary to integrate all governmental duties and services.

The Budapest 2020 should be regarded as a continuously developing and monitored frame. The elaboration of strategic goals was aiming to create stable guidelines in the mid-term, in order to create and implement projects. Besides, it helps to orient the public and private actors towards the Municipality’s development goals.
### Review of the goal-system of Budapest 2020

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A CONCISE OUTLINE
OF THE BP 2020 GOALS

1. INITIATOR, COOPERATIVE AND OPEN-MINDED URBAN DEVELOPMENT

In the region’s balanced and sustainable development, public and private partnerships may become of central importance. The initiator(s) of city development means that the government must coordinate, encourage and be cooperative. The initiator(s) and cooperative role does not necessarily means investor type projects.

Each investments are supported by three programs:

- The development of the infrastructural background of city development
- The renewal of the financing background of city development
- Reinforcing cooperation

Within the goal’s scope 5 projects were determined with an estimated budget of 18.3 billion HUF.
2. BUSINESS AND INVESTMENT FRIENDLY ECONOMIC ENVIRONMENT

Budapest and its agglomeration is the leading economic area within the region, and with the most expansive R&D and innovation budget. Budapest is a higher education centre, whose most important asset is its well-educated work force. One of the most important goals in regards to development politics is to improve the performance of high added value, knowledge intensive sectors within the Budapest region.

To maintain and reinforce Budapest's leading role, it is necessary to create an attractive business environment along with the reinforcement of businesses' economic competitiveness that can be realised according to the following sub-targets.

► Integrated development of strategic economic areas
► Reinforcement of economic functions of brownfield and under-used areas and facilitating their use
► SME development program

Within the goal's scope 11 projects were determined with an estimated budget of 98.5 billion HUF.
3. INTELLIGENT CITY-OPERATION

Operation of the city’s infrastructure, public services and their modernisation is one of the major priorities of Budapest’s Municipality. These investments are important not only for the population, but they also affect the changes of potential development plans, and are important elements of the city’s competitiveness to help to reduce difference and fragmentation between regions.

The preventive and adapted answers provided for climate change, lower CO2 emission and the improvement of the capital’s environmental conditions could be achieved primarily by modernizing and developing the city’s sub-system responsible for city-operations.

The sub-targets relating to the development of the City-operations:

- Climate and environmental protection program
- Intelligent, cooperative transport program
- Renewal of public administration infrastructure and operations

Within the goal’s scope 53 projects were determined with an estimated budget of 898 billion HUF.
4. DIVERSE, VALUE PROTECTIVE, GREEN URBAN ENVIRONMENT

The realisation of this strategic goal is through development programs aiming to develop infrastructure, enhance Budapest’s tourist capacity and improve its cultural sector. These developments are necessary, not only to citizens and tourists but also in supporting to attract talented people to the city.

At the selection procedure and at determining priorities, social and economic effects and benefits were equally important. Considering the limited resources, only projects that support economic (improving attractiveness, enhancing the supply side of the tourism sector, direct and indirect income generating developments) and social goals were discussed. This includes providing healthy environmental conditions, an infrastructure that facilitates mental and physical recreation, along with the development of social platforms that play an important role within social integration.

The strategic goal is assisted by the following programs:

► City renovating program
► Spa-city program
► Green program
► Development of cultural institutions program

Within the goal’s scope 28 projects were determined with an estimated budget of 89.8 billion HUF.
The Municipality of Budapest has two priorities to maintain the population and to create equal opportunities. These objectives can be achieved by governmental measures that affect people of different generations and of different living conditions.

The strategy is assisted by three programs:

- Renewal and enlargement of social infrastructures
- Equal opportunity programs
- Assistance of social inclusion, population keeping and social activation

Within the goal’s scope 6 projects were determined with an estimated budget of 13.4 billion HUF.
6. THE CITY LIVING WITH THE DANUBE

The territorial goal is to aim to develop the social and economic characteristics of the Danube, its shores and its islands, by basically integrating the elements of thematic goals into the Danube zone. The following is a short summary of this process.

The Danube is a determining element of the cityscape that fits in to the city’s historic values and is an attractive factor that needs to be more involved, this could be achieved by the enlargement of city places and pedestrian areas.

The development of areas along the Danube, which with a functional change, will become part of the city-structure. Keeping the decentralisation in mind, the number of attractions along and on the Danube should be increased, and their quality should be drastically improved.

We can find Budapest’s new innovative clusters along the Danube; building upon the attractiveness of these areas should be improved for the RDI sector. These areas should also keep their divers functionality.

The Danube, as waterborne transportation route, is underused in the inner city public transportation units, and in an everyday commuting aspect. Access to the shores is difficult because of the current traffic road arrangements.

Therefore, the Danube zone is of central importance in Budapest’s current development goals, it should become more than just a visual element, but become a more functional element of the complete program.
THE ACTION AREAS
AND KEY PROJECTS OF BP2020

The action-area is a physically coherent area where development projects are created in a planned manner. The restriction of action plans were determined by the following aspects:

- Basic requirement: a project within the Municipality of Budapest should be on an area which is the municipality’s property, municipality’s or municipality’s managing right, or a municipality duty.
- Synergic effects can be justified: concentration of main capital governmental projects, integrated projects for larger areas or projects of related actors that relate to the strategic goals.
- Emphasized areas in terms of coordination and cooperation: governmental projects that are significant in territorial matters; are directly related to developments planned in the capital; other integrated economic development project areas, that the government can support, not only through financial aids, but also with other resources, to which the effects of the project will make the economy more dynamic at an urban level.
- The Budapest’s strategic goal area action plans (development of areas along the Danube).

According to the above aspects, 7 action areas were eliminated between 2014 and 2020, especially where the government is planning substantial developments of the following 6-8 years, or it wants to generate further developments to achieve its future vision.

During the strategy review (autumn 2015), the Budapest South area was involved in the action areas, where the City of Budapest would like to generate improvements in order to achieve its long-term vision.

The planned developments of each of the action plans are quite diverse, especially regarding their implementation:

- those that the Municipality wish to realise with the help of EU operative programs and other bid financing sources,
- those whose realisation needs public funding (from the government) owing to their size and country-wide role,
- those that the Municipality wish to implement by using its own sources or loans.

Key projects that are necessary to the implementation of the whole project were determined within each of the action plans.
ACTION AREAS

1. GASWORKS – ÓBUDA ISLAND
2. FINA2017 – MARGARET ISLAND
3. NYUGATI SITE – VÁROSLIGET
4. NEW HIGH STREET
5. NÉPLIGET
6. KELENFÖLD
7. FERIHEGY ECONOMIC AREA
8. BUDAPEST SOUTH
1. GASWORKS REMEDIATION

Renovation of the former gasworks at Óbuda, in order to repurpose the space for more practical functions.

Relevant mid-term goals: 2. Business and investment friendly economic environment (Brownfield and underused areas Program), 6. The city living with the Danube

Estimated costs: 6-17 billion HUF

Planned implementation: from 2015

2. INTEGRATED DEVELOPMENT OF MARGARET ISLAND

The goal is to make Margaret Island the role model of the city according to the infrastructural, greenfield, IT, recreation, sport and cultural developments.

Relevant mid-term goals: 4. Divers, value protecting, green urban environment (Green Program), 6. The city living with the Danube

Estimated costs: HUF 20-25 billion

Planned implementation: from 2014

3. DEVELOPMENT OF BUDAPEST ZOO & BOTANICAL GARDEN

To create a quality family zoo and “fun park” in place of the old theme park that sympathies with the Liget Budapest program.

Relevant mid-term goals: 4. Divers, value protecting, green urban environment (Cultural institution development Program)

Estimated costs: 15 billion HUF

Planned implementation: 2014-2017

4. COMPLEX RENOVATION OF THE CITY HALL OF BUDAPEST

Renovating the building, the square; construction of an underground car park; development of services.

Relevant mid-term goals: 3. Intelligent city operations

Estimated costs: 14 billion HUF

Planned implementation: from 2015
5. INTEGRATED DEVELOPMENT OF NÉPLIGET PARK

Use of Népliget as a sports, leisure and occasional cultural space. The long-term goal is to create an attractive, safe and multi-functional urban green area.

**Relevant mid-term goals:** 4. Divers, value protecting, green urban environment (Cultural institution development Program)

**Estimated costs:** 7-10 billion HUF

**Planned implementation:** no data

6. KELENFÖLD INTERMODAL HUB

To support the connections of the Őrmező region, building with facilities that can adapt (complex local and intercity bus station, P+R, B+R)

**Relevant mid-term goals:** 2. Business and investment friendly economic environment (Integrated development of strategic economic areas), 3. Intelligent city operation (Intelligent, cooperative transport Program)

**Estimated costs:** 10 billion HUF

**Planned implementation:** 2015-2018

7. LISZT FERENC AIRPORT ECONOMIC AREA

Renovation of the speedway - keeping its original functions, but making it much safer.

**Relevant mid-term goals:** 2. Business and investment friendly economic environment (Integrated development of strategic economic areas), 3. Intelligent city operation (Intelligent, cooperative transport Program)

**Estimated costs:** 12.5 billion HUF

**Planned implementation:** 2016-2017

8. BUDAPEST SOUTH

Preparation of the plans for the Olympic Park (Central Stadium, Olympic Village, IBC, MPC) which may became one of the city’s most valuable residential, mixed-used and recreation areas after the games - in line with the city’s long-term goals & master plan.

**Relevant mid-term goals:** 2. Business and investment friendly economic environment (Brownfield Program), 3. Intelligent city operation (Intelligent, cooperative transport Program), 4. Divers, value protecting, green urban environment (Green Program), 6. The city living with the Danube
PHOTOS

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