

6th Meeting of OECD Champion Mayors for Inclusive Growth



Brussels Blueprint for Affordable Cities and Housing for All



13 June 2023



1. Preamble

By joining the OECD Champion Mayors for Inclusive Growth Initiative, we, the Champion Mayors from across the world, have committed to tackling all forms of inequality within our cities and beyond, and, in doing so, enhancing growth and well-being in our regions, countries and globally.

Since the launch of the Initiative in March 2016, more than 100 Champion Mayors have worked together to share best practices and endorse a set of concrete commitments to achieve more inclusive growth in cities worldwide. In particular:

- The [New York Proposal](#) (2016) identified actions across four critical domains: education; labour markets and skills; housing and the urban environment; and infrastructure and public services.
- The [Paris Action Plan](#) (2016) proposed practical steps to achieve inclusive growth, recognising how inequality in different areas – such as access to education, health or housing – can compound each other.
- The [Seoul Implementation Agenda](#) (2017) called for strengthened linkages between local climate and inclusive growth strategies and put forward proposals to unleash the potential of SMEs and entrepreneurs.
- The [Athens Roadmap](#) (2019) put forward actions to harness the full potential of social, public sector and technological innovation to make cities places where prosperity is shared.
- And in 2021, while on the frontline of managing the impacts of the COVID-19 crisis, Champion Mayors renewed their commitment to inclusive growth as a critical part of recovery, took stock of their collective actions as laid out in [Five Years of Inclusive Growth: OECD Champion Mayors](#), and agreed to upscale efforts to support youth through the [Youth Pledge](#) (2021).

Building on these commitments, in 2022, we endorsed the Chair's Vision Statement, which underlines the ongoing imperative to address rising inequalities within our society, but also recognises that the global context has evolved. From the COVID-19 pandemic to Russia's war of aggression against Ukraine, a series of shocks are confronting our cities with new barriers to inclusive growth, including the rapidly rising cost of living. At the same time, there is a growing urgency to respond to fundamental shifts in society, including digitalisation and the climate transition, and to address the crisis of trust in government, which threatens the political foundations for inclusive growth. In response, we need to adapt our inclusive growth agenda to the most pressing challenges facing cities today.

As we meet in Brussels, the rising cost of living represents an urgent threat to inclusive growth, and while short-term action is needed, that alone will not be enough. Since the launch of the Initiative, the provision of affordable housing has been a central component of our Inclusive Growth agenda. The urgent need to make cities more affordable can only be met if we also address longstanding housing challenges. Therefore, this **Brussels Blueprint for Affordable Cities and Housing for All** sets out our commitments – as mayors – to alleviate short-term pressures on the cost of living and scale up long-term change in housing.

2. Confronting the cost-of-living and housing crisis in cities

We are deeply concerned about the cost-of-living crisis affecting our cities. In the wake of a fragile recovery from the pandemic, this crisis presents a major challenge to inclusive growth, with low-income households bearing the brunt of rising food and energy bills, which account for a disproportionate share of their spending – up to twice that of higher-income groups. Increases in interest rates in response to inflation are further exacerbating the cost-of-living crisis.

We also recognise that housing costs – which typically account for the largest share of household expenditure – have become increasingly unaffordable over the last two decades, especially for lower-income households but also for the “squeezed” middle class. This chronic lack of affordable housing has left households even more exposed to the current cost-of-living crisis.

We believe that action on housing is urgently needed not just to help mitigate the immediate impacts of the cost-of-living crisis, but also to address the long-term challenges that unaffordability presents for inclusive growth. High cost of living – including high housing costs – reduces the scope to invest in areas that improve life chances and well-being, such as education. When housing costs are high, it is also harder for people to move to find new work and benefit from the opportunities cities offer. And when housing is poor quality, it can undermine health outcomes. At the same time, housing represents a major source of carbon emissions, and a model of affordable and low-carbon housing will be essential to deliver inclusive growth alongside net-zero commitments.

We, the Champion Mayors, acknowledge that access to adequate housing is a fundamental right, first recognised in the 1948 Universal Declaration of Human Rights. We also believe that affordable and adequate housing is a crucial driver of people's well-being and prosperity and an essential foundation for inclusive growth.

We recognise that delivering affordable and quality housing requires joint action and funding from public, private and non-profit sectors and across all levels of government. And importantly, while we put forward these commitments to tackling common challenges, we are mindful that no two cities are the same, and implementation will depend on local and national conditions.

In that context, we, the Champion Mayors, endorse the following commitments, in collaboration with key stakeholders and all levels of government, to respond to urgent cost-of-living pressures and address chronic housing challenges to make our cities more affordable over the long term.

3. Mayors' Commitments

First, in the face of ongoing pressures on the cost of living, we will explore all possible actions – at the city level and working with national governments – to ensure that our residents can afford to live and thrive, including:

- Providing targeted support for struggling households to manage rising bills, including through direct financial support, subsidised loans and measures to support households in improving energy efficiency of their home, recognising that all measures should be consistent with the imperative to reduce carbon emissions.
- Adopting measures to make public transport in the city more affordable, such as providing e-vouchers to vulnerable groups, or incentivising discounts on monthly tickets, bearing in mind the need to finance critical investments in public transport, especially to meet net-zero objectives.
- Expanding support services to help struggling households cope with the cost-of-living crisis including employment services, financial advice for managing debts and rising bills, and mental health services to support those with emotional distress.
- Improving co-ordination with social enterprises in the community, including those providing food, and other essential needs.

Second, we will work to develop targeted solutions to ensure the most vulnerable have access to affordable and quality housing.

- We will step up action to boost housing affordability and availability for households most in need, such as low-income households, single parents, unemployed and young people, many of whom are priced out of city centres, by preventing evictions and ensuring security of tenure.
- We will make efforts to ensure that new and existing housing is adapted to the needs of the elderly and people with disabilities, including through our legislative powers and potential financial support such as grants and loans to people to renovate and adapt housing to their specific needs.
- We will work to combat homelessness by strengthening prevention efforts, including through the provision of social interventions, and better collection and use of data on homelessness, and by prioritising, wherever possible, the provision of permanent housing.
- We will endeavour to meet the housing needs of migrants and refugees who settle in our cities to unlock their contribution to a productive, innovative, and inclusive society, by assisting them in meeting the requirements to secure housing tenancy and engaging with local stakeholders to identify available and suitable housing options.

Third, we will strive to boost the supply of new housing, where it is most needed, and as part of connected and cohesive communities.

- We will promote a range of tools to boost the supply of social and affordable housing, including increased direct public investment, regulatory reforms, such as incentives and requirements for affordable housing within new housing developments, and partnerships with non-governmental organisations.
- We will work with developers and communities to overcome the barriers to new housing developments while protecting the environment and taking into account post-COVID changes in demands and preferences. This could include ensuring flexible urban planning, promoting brownfield redevelopment, converting underused

areas and office space to housing when possible, and aiming for quality compact development by adapting height restrictions but limiting the use of minimum lot-size requirements.

- We will promote frameworks that incentivise land use for housing and the repurposing and utilisation of vacant property as much as possible. We will support tax and regulatory instruments on short-term rentals and secondary homes to address the additional pressure these can have on local housing markets whilst being sensitive to the needs of the tourism sector.
- We will encourage community-led and innovative initiatives to increase the availability of affordable properties to buy and rent, such as housing co-operatives and community land trusts.
- We will work to ensure that housing goes hand in hand with the development of local infrastructure and amenities, especially affordable public transport services, in order to facilitate access to jobs, amenities, public services, and health infrastructures, through effective urban planning and design, and co-financing arrangements with private developers to fund new infrastructure.
- We will seek to tackle spatial segregation and foster social diversity, for example, through inclusionary zoning measures, and by encouraging affordable housing development in more affluent neighbourhoods, and building community support for new affordable housing to address “NIMBYism”.

Fourth, we will work to improve housing quality, to foster a just transition and greater resilience against natural disasters and climate change.

- We will strive to improve the quality of housing, addressing unsafe, unsanitary and overcrowded accommodation, for example, by ensuring adherence to building codes for new constructions and taking steps to improve the quality of the existing stock.
- We will encourage improved energy efficiency for housing, to reduce household energy bills and contribute to net-zero commitments. This can include subsidies for renovations or subsidised home renovation loan programmes. We will also seek to support district heating and cooling where possible and encourage the use of recycled or sustainable construction materials and the so-called “BAMB” (buildings as materials banks) to reduce waste from construction sites and lower the cost of housing.
- We will work to ensure that housing is resilient to disasters, including extreme weather events, and put in place emergency plans to deliver temporary shelter when disasters impact cities. We will promote building standards that are robust, well enforced and independently inspected.

Fifth, we will strive to improve the governance and financing of housing policy within and across different levels of government and leverage public sector innovation to deliver more affordable cities.

- We will work to better coordinate housing policies and housing delivery, across our city departments, with neighbouring cities and regions, and with regional and national levels of government, by aligning objectives and programming across sectors and between levels of government and by designing spatial plans that span functional economic areas and ensure that land-use regulations address local housing needs at the level of metropolitan areas.
- We will explore a wide range of local financing tools, both from public and private sources, to spur investments in housing, to complement funding and investments provided by national governments. This could include fostering social and sustainable impact investment (e.g., social and green bonds), leveraging public land and assets, and tapping other innovative financing instruments such as land value capture.
- We will develop local public sector innovation and skills to deliver on these ambitious commitments, including by providing the right training for city staff to implement housing policies and delivery, and leveraging strategic foresight and spatial planning to anticipate and prepare for better urban futures.

Across all these commitments, we will work with a wide range of stakeholders to identify and manage the potential trade-offs, notably between the quantity, affordability, quality and sustainability objectives, as many housing policies can have unintended negative consequences. For instance, additional requirements on developers may increase the cost of developing housing, resulting in fewer new units; stricter quality and sustainability standards may have implications for affordability; action to curb the short-term rental market may stifle tourism; providing demand-side housing assistance may, in housing markets where homebuilding struggles to adapt to demand, add to upward pressure on house prices; and actions to require affordable housing and to expand housing supply may meet with resistance from local communities.

Call to OECD's action

We, the Champion Mayors, call on the OECD, in partnership with supporting and knowledge institutions, namely Bloomberg Philanthropies, Cities Alliance, Local Governments for Sustainability (ICLEI), the Lincoln Institute for Land Policy, United Cities and Local Governments (UCLG), and United Way Worldwide, to support the implementation of our commitments in the following ways:

- » **Elevate mayors' voices and contributions** to solving global challenges by fostering dialogue across local and national leadership, as embodied in the *OECD Principles on Urban Policy*, and facilitating access of mayors to the multilateral system, including the G7/U7 and G20/U20.
- » **Raise the profile of the local dimensions in global agendas**, including through documenting cities' contributions to achieving the sustainable development and climate goals in their countries and globally.
- » Facilitate **peer-to-peer learning** and the **exchange of good practices** among city governments and national governments as well as with key stakeholders from public, private and non-profit sectors, including through the activities of the Champion Mayors Initiative, and the OECD Roundtable of Mayors and Ministers.
- » Continue to develop the **evidence base**, through data and indicators to measure the multidimensional nature of urban inequalities and their negative consequences, as well as evaluation of the most effective policy solutions.
- » Strive to produce **user-friendly tools** that can help guide mayors' actions, including toolkits, compendiums of evidence on what works, policy databases and repositories, cross-city surveys, city snapshots, checklists or self-assessment frameworks.

We will continue to work together to ensure that, in cities across the world, all members of our societies have equal opportunities of success, in line with the OECD motto of **Better Policies for Better Lives**.