

ID 1318 | TOURISM INVASION? STUDY ON THE FUNCTIONAL TRANSFORMATION OF DWELLINGS AND POPULATION LOSS OF LOCAL RESIDENTS IN VENICE HISTORIC CENTER

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1 INTRODUCTION

1.1 THE EXCESSIVE TOURIST POPULATION BROUGHT BY THE UNIQUE SCENERY

Venice is the capital city of the Veneto region of northeastern Italy, with its main island isolated from the Adriatic Sea and surrounded by a vast shallow water area called the lagoon. In 1987, the main island of Venice and its lagoon area as a whole was assessed the world's natural and cultural heritage by UNESCO (the United Nations Educational, Scientific and Cultural Organization). What makes Venice unique is that it is not only a living city built on water with the ancient medieval urban layout, but it also remains plenty of well-preserved gorgeous palaces, brilliant churches as well as a huge number of architecture in different times and different styles.

Unique tourism experience on water has brought high reputation to the historic city of Venice, while problems related to the excessive tourism population have occurred at the same time. With the prosperity of the tourism industry, social problems like the inflation of prices, gentrification, depopulation, high rate of vacant dwellings has greatly threatened the living condition for aboriginals and the conservation of historic dwellings in the main island of Venice. What's worse, these problems could even interact each other to form a vicious circle. During the fifteen years from 1991 to 2005, the industries of Venice were shrinking in all sectors except for construction, hotels, banking and insurance, and academic research, which are all served for the tourism industry more or less (Da Mosto, 2009). In this context, the employment rate of local residents has been continuously declining and thus their incomes are not enough to support the purchase of dwellings. As of 2011, the number of residents living in the historic center (main island) has been dropped to less than 60,000 people, nearly One-third of the population of the 1950s (Figure 1).

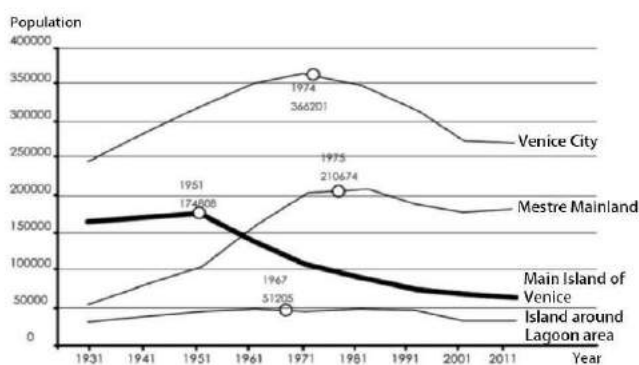


Figure 1 -The demographic changes in Venice (Sources: Da Mosto,2009)

1.2 THE DEPOPULATION OF THE VENICE MAIN ISLAND

Due to the environmental capacity constraints, there are some native residents who left the main island of Venice and chose the modern lifestyle with car preferences on the nearby mainland, which is more convenient and comfortable for them (Good, 2005). Meanwhile, there are also residents who prefer to take the water transportation so they move into the main island of Venice. Under such condition, it can be concluded that the demographic change due to lifestyle preferences almost does not affect the total population. Objectively speaking, the economic restructuring brought about by the impact of globalization, coupled with the geographical restriction of the lagoon area, eventually lead the decay of Venice's

industry. According to the Venice Report, during the fifteen years of 1991-2005, on the main island of Venice, all the other industries were shrinking except for industries related to tourism services such as construction, hotels, bank, insurance and academic research. (Figure 2) In this context, the employment rate severely declines on the main land, and local residents can hardly support their own housing and lives by only depending on tourism services. What's worse is that the tourism-oriented urban developing goal has decreased the number of every-day services for residents such as the fair-price supermarkets, schools, hospitals, pet shops, barber shops and so on, thus enhancing the living cost for locals. All these factors are forcing local residents to seek for new job opportunities as well as affordable houses outside Venice.

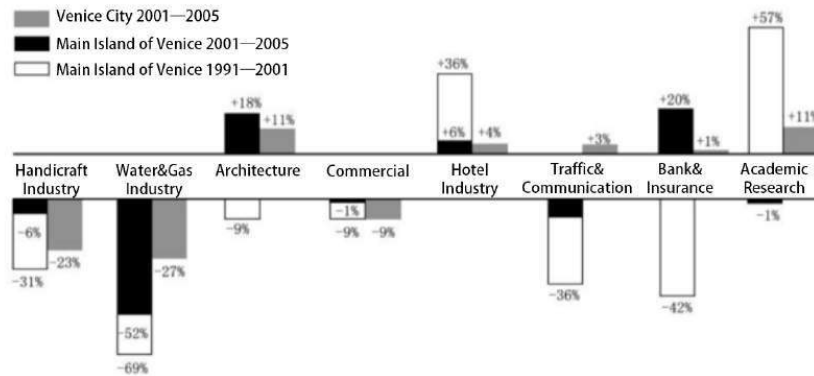


Figure 2 -Comparison of employment changes in various industries between the main island and the whole city of Venice from the year 1991_2005 (Sources: Da Mosto,2009)

Then this paper will raise the following questions and try to give an answer through analysis: What is the relationship between the demographic structure of the Venice main island and the stock of housing in the past 50 years? How does the relation between housing supply and demand change affected by the development of tourism industry? How does the tourism industry affect on the quality and function of the traditional housing on the island? Has the government taken any appropriate intervening measures to improve the living conditions of local residents and how is the impact?

2 THE IMBALANCE STRUCTURE OF SUPPLY AND DEMAND OF RESIDENTIAL HISTORIC BUILDINGS IN VENICE

2.1 THE IMBALANCE OF SUPPLY AND DEMAND

Since the 1950s, the population of Venice has been declining. In 1951, the average number of people living in per room is 1.34(Citta di Venezia,2012b), which means that generally speaking, Venice was in a state of housing tension: the total number of housing units and the number of rooms per set are both insufficient. After the 1970s, due to the out-migration, the total number of housing on the main island of Venice began to exceed the number of households, which means it began to have a housing stock of vacant houses. In accordance with the normal market disciplines, when housing supply increases, the falling price will stimulate demand, to ease the situation of local residents' moving outside and even to attract more Mestre mainland residents. However, the fact was that the number of local residents still continued moving out, so it can be concluded that phenomenon of living crowded is not the proper reason to explain the reduction of population.

Between 1951 and 2010, the number of households and the population of Venice main island is still decreasing: the number of registered households decreased by 40%; the population decreased by 65%__the decreasing rate of households is far less than the rate of population reduction. Compared with 4.9 people per household on average in 1951, the current average is only 2 people per household (Citta di Venezia,2012b). By calculating the data above all, we can know that the proportion of the reduction rate of households with more people has been decreasing the most, at around 95%. The reason is that considering the house area and the number of rooms, current housing stocks on the island are more

suitable for small family units, which led directly to the imbalance structure between different housing supplies and demands.

2.2 THE EXPLANATION OF THE IMBALANCE STRUCTURE OF SUPPLY AND DEMAND

Since the 1980s, people have tried to explain the declining of effective housing supply through two aspects: on the one hand, large number of historic residential buildings are used as rental estate instead of being provided to local residents; on the other hand, the house owner's failing to afford its maintenance costs also leads to the phenomenon of vacant residential buildings. In 2000 or so, by comparing the relevant data of gas, water, electricity payers and residents, it is possible to distinguish which buildings are vacant, which are still used and of which the residential functions have already been transformed, and then to show the analysis of the population loss and current condition of residential building use (Table 1).

Function			Number of units	Proportion	
Residential	Dwellings	Living function	23390	61.7%	
29.3%	Hotels	Tourism	4810	8.4%	29.2%
		B&Bs	3800	9.4%	
		Other services	4610	11.4%	
Vacant	Vacant		3640	9.1%	

Table 1 -Statistics on the function of historical buildings on the main island of Venice (Sources: Comune di Venezia,2010)

By putting the number of residents, the total number of housing units, the number of available housing needs no repair and the number of housing under functional transformation into the same coordinate system (Figure 3), it can be known that area A shows the demanding is far beyond the supply before the 1980s when the population in Venice is too much. After 1980s, B+C area says the total amount of housing supply exceed residents' demand. While area B means residential buildings that are vacant due to poor housing conditions or the owner's relocation, area C shows the residential buildings that can be put to the market without repair. However, there exist a large number of residential buildings offered to non-residents, including tourists, students, immigrant workers and so on. In 2000, this part of the housing occupancy ratio reached 29.3%. So if we consider excluding the above part from the available housing supplies, the real total housing supply for local residents cannot meet their demand actually. The overall area D indicates a housing shortage for local residents. To sum up, although the total number of available residential housing is increasing, the situation of supply shortage for locals has deteriorated to a severe structural imbalance.

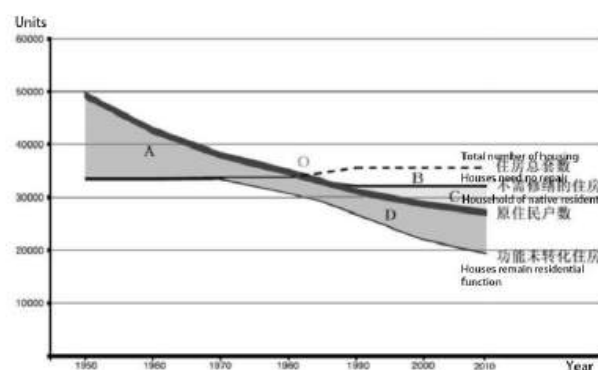


Figure 3 -The changing of supply and demand structure of residential housing on Venice mainland (Sources: Citta di Venezia,2012)

3 THE LIMITATIONS OF GOVERNMENT INTERVENTIONS

3.1 THE INTRODUCTION OF GOVERNMENT INTERVENTIONS

As mentioned above, the depopulation in the main island of Venice is directly related to the lack of housing supply for local residents. The urgency of repairing houses and the over-conversion from resident houses to non-residential houses have created great pressure on the residential market. Italian law No.798/1984 has specially provided a separate allocation of protection funds for the main residential area of Venice, trying to use government intervention to soften the impact by tourism industry on the market of resident housing. The object of this intervention is the public housing owned by the government and the ground floor space of private houses.

For the public housing, the government has taken measures to repair them and provide them as low-cost temporary housing for low-incomes. With the collaboration with the non-profit organizations of Venice and the UNESCO UK Council, the government has finished the repair of the 17th-century houses located at Calle Delle Beccarie. Take one of the buildings as an example: it consisted a number of single rooms before the repair and afterwards it turned to four sets of apartments (Figure 4). After the implementation of the project, the vacant space of public housings can be fully used with an affordable rent to low-income residents, while the government can also receive some rental income to cover the corresponding part of repairing spending.

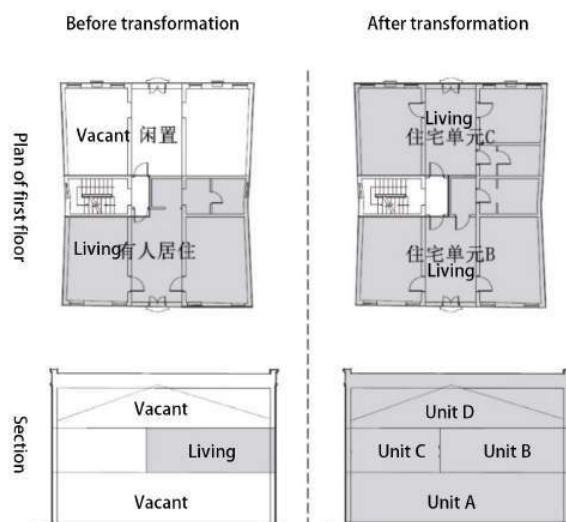


Figure 4 -The comparison between before the functional transformation and after (Sources: Good,2005)

The ground floor of historic buildings are not comfortable for living because of high humidity and difficulties on lighting and ventilation usually used for catering, job or retail function. On the main island of Venice, the housing units on the ground floor were the by-products at a population explosion period; there were 4,000 units, accounting for about 11.5% of the total Venice housing units, but of which more than 90% have been converted to non-residential use such as catering, retailing or workshop since decades ago. So what the government can do is only the transformation of the left 10% part, which has not been converted into non-residential use, to contribute them to the local housing supply market.

From 1993 to 1998, the intervention programs on the public housing and the ground floor of historic buildings have succeeded to provide 749 sets of apartments and dormitories for the elderly and students, with a total of 52,000 square meters (Pickard, 2001).

3.2 THE LIMITATION OF GOVERNMENT INTERVENTIONS

In terms of heritage protection and improvement of living conditions for residents, the renovation of public housing has achieved great success. However, from the point of view of housing supply, the limitation of

the project is that the proportion of housing owned by government (public housing) is too small, only 4% of the entire dwelling market, so even if it was possible to refurbish and provide them with a low price to low-income local people, the number would be also very limited. On the other hand, cyclical floods heavily affect the housing base, every 20 years the canal is divided into sections to evacuate the water for repairing the building base, which creates greater financial pressure on social welfare funds.

As of 1998, of the £699 billion that the government subsidizes to the residential renovation projects, only 84% are released and 60% have been used, and only 43% of the projects are completed (Pickard, 2001). In addition, the more serious problem is that even if the buildings finish all the repairing procedures, they will be put into the open market facing to students, tourists and other participants who can provide high prices, so the local residents are still difficult to get effective housing supply.

4 TOURISM INDUSTRIES CONTINUE TO HAVE STRONG IMPACT ON THE HOUSING MARKET

4.1 HIGH DEMANDS OF SHORT-TERM ACCOMMODATION DRIVEN BY BLOOMING TOURISM INDUSTRIES

According to official statistics_Citta di Venezia,2012a_, residential buildings under functional transformation account for 8.4% of the total residential volume, with an even greater number of tourism-oriented conversions. According to the work report of Municipality of Venice called "Osservatorio Quarto Rapporto", the average selling price per square meter of the short-term housing available for tourism is 13.6 times(Table 2) the price per square meter of normal residential housing for locals, and the same situation happens in the rental market, visitors and other non-residents can pay the price 13 times than the residents can pay for a rental house. Due to the influence of tourism, the cost of materials, transportation, labor and others are all increasing, adding more financial burden on historical building maintenance, which is bound to increase the pressure of long-term residents. Driven by the blooming of tourism industries, the house owners are more willing to rent their houses, and instead, some owners will even choose to move themselves to the Mestre mainland for more economic benefits. To sum up, large amount of the temporary housing needs of tourists, students and related workers in the historical center of Venice, especially the short-term accommodation demand of tourists, are the biggest incentive for the transformation of residential functions on the island.

SELL	Non-residential		13.6	RENT	Non-residential	Short term rent	13
	Non-residential	After repair	1.7		RENT	Residential	Mestre mainland
No repair		1.3	Other	1.5			
Need repair		/	surrounding area				

Table 2 – The selling and rental prices for the housing on Venice main Island (take the average affordability of local residents as 1)(Sources: Good,2005)

4.2 FUNCTIONAL TRANSFORMATION OF RESIDENTIAL BUILDINGS BY MARKET FORCE

The benefits of converting normal houses into hotels or B&Bs are such significant that a large number of owners ignore the protection requirements of residential buildings and change the structure of the building to make it more suitable for short-term living. After transformation, such short-term housings usually become hot resources with relatively lower price than the same level hotels on the website like Airbnb, Booking and others, which is a great attraction for tourists with limited economic budget. Although this transformation mode has been quite common on the island, still, the original function and layout of the house is more beneficial to the protection of historical buildings. The reason is that compared to short time rent space, there will be more functional spaces like kitchen, toilet, living room and study room which can maintain the original structure of the building, instead of changing the structures as well as the whole interiors to make one building separate to several simple units for tourist.

Taking a residential building in Dorsoduro community as an example (Figure 5), the original layout of three bedrooms and two bathrooms was reconstructed into two small apartments, including separate kitchens and living spaces, and rent to the short-term tenants at a price of 45 euros per square meter per month. This kind of space subdivision on the one hand provides more choices of flexibility for tourists, on the other hand, also gives house owners more benefits __smaller space means more profitable. In fact, the most favorable area in short-term rental market is of 50 square meters; on the contrary, the house of 120 square meters can only earn the lowest profit. (Good, 2005)

From the perspective of government management, it is difficult to supervise this informal housing division behavior which also does harm to the housing structure, and the government can only hold the attitude of acquiescence of such function transformations, which can explain why the number of residential units are increasing without additional constructions on the main island of Venice (see Figure 3). The decline in average living area significantly affected the quality of life of residents; the small size units cannot meet the needs of families with children. A study by the Municipality of Venice for the finance funding families can get for their first suite of house shows that this kind of funding is only valid when the demands and willingness of the residents can agreed with the market supplies. That is to say, if the residents demand 75-100 square meters of residential, but the market only offers 50-70 square meters options, the government cannot provide financial support because residents will complain the space is too small and turn to the Mestre mainland to seek a more spacious house with the same price. All these are resulting in the population loss of the main island of Venice.

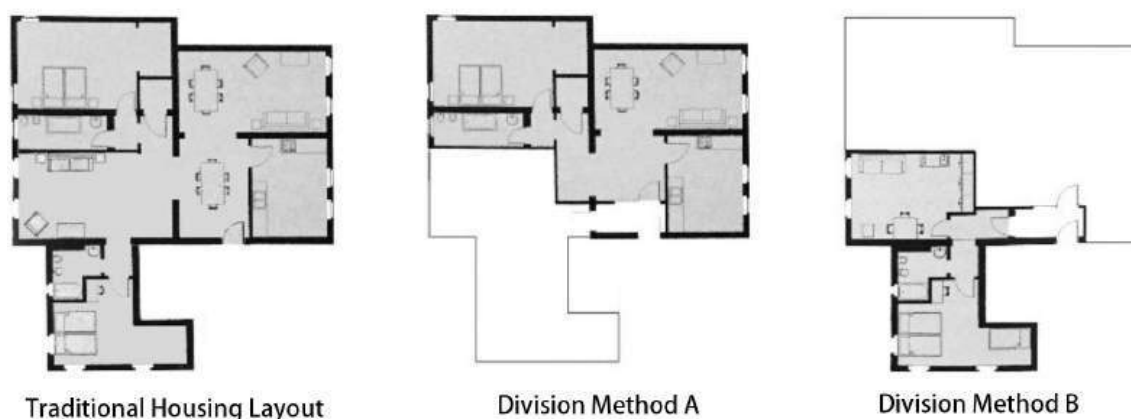


Figure 5 -The division methods in functional transformation of traditional housing (Sources: Good,2005)

5 THE VICIOUS CIRCLE OF THE FUNCTIONAL TRANSFORMATION OF RESIDENTIAL BUILDING ON THE MAIN ISLAND OF VENICE

The development of the tourism industries has great impacts on every aspect of Venice Main Island that, not only does the urban space slowly turn to tourism-oriented; also, the housing supply shows more preference towards tourist's choice. On the one hand, the number of public housing units owned by the government is limited, and the subsidy for refurbishment is not sufficient as well; On the other hand, the illegal conversion of private housing into tourism services happens continuously. Although the total number of tourists in Venice is increasing every year, the tourism taxes collected by government are still unable to balance the subsidy invested in solving the housing problem of the local population. The increasing cost of housing refurbishment due to excessive tourism has been a great burden for local government all the time. At the national level, the financial support for residential buildings has been reduced year by year, so at the local level, government lacks funds to invest in residential maintenance. With the strong pressure by tourism market, speculations appear in residential buildings and even public housing. By converting them into short-term accommodations or other hotels, restaurants, retail stores and commercial buildings, the original fair-price supermarkets, schools, hospitals, pet shops, barber shops which serve for local residents are of a sharp reduction, exacerbated the difficulties for locals to continue living here. Instead, they turn to the mainland suburbs to seek for a favorable inhabiting environment that can provide education, medical and other necessary services. It can be forecasted that with the prosperity of the tourism industries in Venice, the market forces will further catalyze the formal and informal functional transformation of

residential buildings towards tourism services, finally into a vicious circle as Figure 6(Russo,2000;Bernadette,2007), in which sense making Venice gradually lost its authenticity in living and original spirits of places.

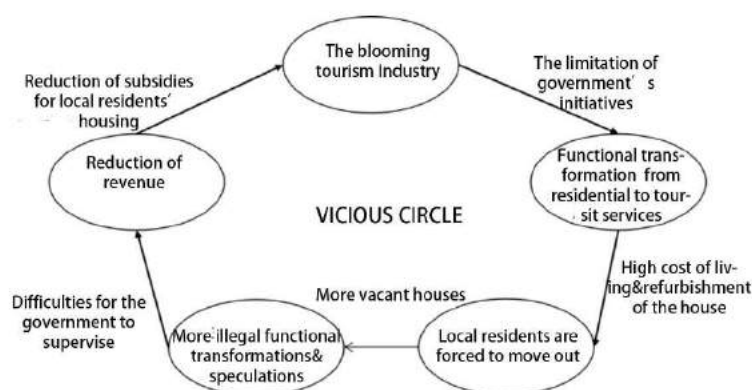


Figure 6 -The vicious circle of functional transformation of local residential housing on Venice main island (Sources: Author)

6 PROSPECTS: THE STRATEGIES TO DEAL WITH THE DEPOPULATION AND IMPROPRIATE RESIDENTIAL FUNCTIONAL TRANSFORMATION

Under the influence of market economy, the social problems related to the decline of Venice main island could be understood as the incompatibility between the housing demand and the supply structure. The continuous reduction of local residents is because the inflated cost of the housing market is not affordable for them anymore. Besides, government's shortage of funds for building refurbishment has undoubtedly given opportunities to those who do the illegal transformation just to attract tourists, resulting in serious consequences like exclusion of aborigines and loss of authenticity. Therefore, the core strategy for the government is to strengthen the guidance and supervision of the transformation mechanism of historic dwellings, providing affordable residential units in the market and enhance the long-term living conditions for low-income residents as much as possible (Massiani and Santoro,2012).

The primary principle is to realize the significance of preserving the original resident's life on the main island of Venice. The traditional lifestyle of natives itself composes the most crucial part of the world-famous historic city. While stabilizing the residents of Venice to maintain social, economic and political stability, the awareness of building protection should also be considered carefully especially towards those buildings after or under functional transformation. Recognizing the informal conversion and illegal split into smaller units according to the gas, water and other bills, and try to acquire the housing property through public-private partnership, finally manage to recover the refurbish the building to meet the needs of local residents, at an affordable rental price.

Secondly, under the circumstances where the historic buildings are divided into different residential units and rent to different tenants, the government need to formulate detailed rewards and penalties through correspondent policies in the process of acquiring and rearrange the building, in order to avoid the possibility that multiple stakeholders' interests conflict with each other. Above all, the government has the right to make a legal penalty for people who subdivide the building against the preservation requirements for historic buildings of Venice.

Finally, to provide residents willing to live in Venice for a long time with subsidies to buy their first suite of housing, so that residents can compete with foreign tourists since they have a relatively fair competitive environment. These policies need to be strengthened, and a rigorous review and evaluation is also needed when it comes to any project including the content of functional transformation from residential to tourism services, in order to ensure the effective supply of local residential housing market(Musu,2011).

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ID 1330 | MAKING THE MOST OF THE EUROPEAN CAPITAL OF CULTURE. CULTURAL EVENTS AND SPATIAL STRATEGIES IN EUROPEAN PORT CITIES

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1 INTRODUCTION

Since the experience of Glasgow, European City of Culture in 1990, and Barcelona, which hosted the Olympic Games in 1992, European port cities have displayed a growing interest in hosting cultural mega-events – i.e. “large scale cultural (including commercial and sporting) events which have a dramatic character, mass popular appeal and international significance” (Roche, 2000, p. 1) – as a strategy to trigger or boost urban regeneration and local development (Qu and Spaans, 2009). Mega-events have increasingly been interpreted as chances to accelerate existing urban projects, to encourage discussions about future development scenarios and strategies, to improve local institutional capacities and to raise local communities’ ambition. In other words, cultural mega-events are understood as potential drivers of urban development and as unique occasions for producing positive intangible legacies in the long term.

In this context, the European City/Capital of Culture (ECoC) programme has played a crucial role in the last decades. Major European port cities such as Rotterdam and Genoa attempted to capitalise their year as ECoC in order to deliver a renewed image and reposition themselves within global urban networks. Aarhus in Denmark and Paphos in Cyprus are the ECoC 2017, while Valletta and Rijeka have been awarded the title respectively for 2018 and 2020. Liverpool, ECoC in 2008, inspired the UK City of Culture initiative with the aim of extending the positive benefits of event-led and culture-led regeneration to other British cities (DCMS, 2009; ICC, 2012): so far, two port cities have been designated as UK City of Culture, namely Derry-Londonderry in 2013 and Hull in 2017. This interest appears to some extent fostered by a recognition of the potential contribution of cultural mega-events – such as the ECoC – to urban regeneration and development in port cities. In this context, legacy has become a key concept in the rhetoric of the ECoC, while the embeddedness of cultural strategies into long-term planning agenda is increasingly considered a precondition for achieving a positive legacy from the event (Smith, 2012), as well as for cultural mega-events more generally (Bramwell, 1997). Surprisingly, there is little understanding of