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## Classification and declassification of land: the difficulties of urban planning in the context of the Spanish real estate crisis. The case of the municipality of Sariegos in the urban area of León

#### I. INTRODUCTION: FROM THE SPANISH HOUSING BUBBLE TO THE REAL ESTATE CRISIS

Between 1997 and 2007, Spain experienced a real estate bubble that also occurred in other developed countries, and whose two main features were the increase in housing prices, in parallel with the growth in the number of new dwellings built annually. Another of its defining features was expansive urban planning, based on the idea of land liberalisation: a generous classification of land through urban planning would produce an abundant supply of land, which would lower both the price of urban land and dwellings.

After an uninterrupted decade of economic growth, the Spanish real estate bubble ended up bursting towards the end of 2007, causing the collapse of real estate prices and the paralysis of the new housing construction, leaving unsold a good part of those already built, half-finished urban developments and large extensions of land classified as developable without any sign of urban development.

This paper focuses on the case of Sariegos, a municipality of 5,050 inhabitants located in the urban area of the city of León (124,303 inhabitants), chosen as illustrative of the dynamics of an average middle-size Spanish city in the interior, a typology scarcely represented in the existing case studies. In addition, this work focuses on the urban planning discipline, analysing the discourses and ideas that underlie the planning documents, examining the way in which the prevailing neo-liberal ideology in the years of the bubble permeated and was assumed by the municipalities and the technical authors of the planning documents.

#### II. THE EVOLUTION OF URBAN PLANNING IN SARIEGOS

1. THE MASTER PLAN ("NORMAS SUBSIDIARIAS DE PLANEAMIENTO") OF 1974

The first municipal urban planning document of Sariegos was a "Normas Subsidiarias de Planeamiento" (Subsidiary Planning Norms), approved in 1974. Framed in the very old Land Act of 1956, this plan was a very elementary document, with quite scarce urban determinations and poorly defined. The clearest idea it raised was the delimitation of Urban Land around the 4 existing urban small nuclei of Pobladura, Sariegos, Azadinos and Carbajal, allowing what was called a certain "building expansion" of the existing fabrics. In the Rural or Non-Developable Land, it indicated some spots of Rural Land as Natural Landscapes, assigning them a certain degree of environmental protection. Finally, in the Carbajal de la Legua area the plan delimited a package of land named "Land that can be developed", where pieces to be developed through Partial Development Plans (PP) could be delimited, with a total estimated housing capacity of about 800 units.

This generous dimensioning displayed the early importance given to urban growth at that time, which is analysed in detail in the article. This mode of urban development produced a mosaic of small fragments along the road that connects León city with Carbajal de la Legua without any coherence with each other, connected only occasionally with the main road, etc.

In addition to these fragmented pieces, in other places of the municipality (such as La Barbada) irregular and/or illegal urbanisations appeared, in which the landowners —considering the complete passivity and municipal inaction— divided their rural land into plots for sale, without existing any previous urban planning or infrastructure works.

#### 2. THE MASTER PLAN ("NORMAS URBANÍSTICAS MUNICIPALES", NUM) OF 2002: AN EXAMPLE OF EXPANSIVE NEOLIBERAL URBAN PLANNING

More than 25 years after the approval of the 1974 Master Plan ("Normas Subsidiarias de Planeamiento"), it was clear that it had become obsolete, and in 2002 new Master Plan ("Normas Urbanísticas Municipales": Municipal Urban Planning Regulations, NUM) was approved. The urban model it proposed was based on two key ideas:

- On the one hand, it was an example of "neoliberal planning" showing the faith in the virtues of land overclassification as an intervention mechanism from the supply side to reduce the land and housing prices. In line with much of the Spanish urban planning of the late 90s, and with the principles of the state Land Act of 1998 that had assigned a residual character to Developable Land, the Sariegos 2002 new Master Plan ("Normas Urbanísticas Municipales") is very generous in proposing sectors of Delimited Developable Land, while leaving the rest of the municipality's land that is not classified as Specially Protected Rural as Non-Delimited Developable Land, which means that it can potentially be subject of urban development -upon the decision of its landowners-.
- On the other hand, the corrective or reparative intention of the inherited fragmentary and incoherent type of development is materialised in the proposal to fill the gaps and interstices with new urban fabrics that would act as a suture articulating the existing fragments: that is, urban growth is also understood as urban healing.

From a quantitative point of view, the new 2002 Master Plan ("Normas Urbanísticas Municipales") propose important urban developments: 31 new sectors of Delimited Developable Land, with a total extension of 221 Has, with an estimated capacity of 5,519 homes. The paper analyses in detail the proposals for these sectors in each of the 4 existing urban small nuclei (Pobladura, Sariegos, Azadinos and Carbajal), presenting the main planning determinations and including plans with the land classification and a summary with the most significant urban planning parameters.

As if it were not enough, the 2002 Master Plan ("Normas Urbanísticas Municipales") also proposed to fill the rest of the empty interstices in the entire territory of the municipality that were not Specially Protected Rural Land with Non-Delimited Developable Land, defining a single package formed by the sum of all the vacant interstices, with an approximate global extension of about 300 Has.

#### 3. The development of urban planning until 2007 and its subsequent evolution after the bursting of the real estate bubble

The paper examines in detail the development process of each of the sectors envisaged by the 2002 Master Plan ("Normas Urbanísticas Municipales"). Currently (2021), the Partial Development Plans (PP) approved up to now in the municipality cover an area of 1,451,041 m<sup>2</sup> and contain a maximum capacity of 2,540 homes, which represents 53.0% of the 2,736,202 m<sup>2</sup> of land and 42.6% of the 5,966 dwellings envisaged by the 2002 Master Plan.

In view of this, it does not seem that one can speak of a failure in the 2002 Master Plan forecasts. However, if we analyse the real figures for planning execution, and -above all- for building, the difference between what was so happily proposed in urban planning and what was actually executed can be clearly seen, indicating the enormous distance between expectations and real needs. Indeed, the completely urbanised land with some degree of construction currently represents only 16.9% of the total area of Developable Land provided for by the 2002 Master Plan ("Normas Urbanísticas Municipales") and 13.8% of the number of dwellings. But the result is even more devastating if the degree of real buildings' construction is analysed, since the 4 Partial Plans where urbanisation have finished and construction began, have just degrees of consolidation between 20% and -a maximum- 50%, which implies that finally, only a little more than 250 homes would have been built in Sariegos out of the total of almost 6,000 planned by the 2002 Master Plan, that is, just 4.3%.

# III. THE FUTURE: THE DIFFICULTIES OF A REPAIRING URBAN PLANNING

Fortunately, this bleak outlook left by the bursting of the real estate bubble has led to a profound paradigm shift in Spanish urban planning. Coinciding almost with the first symptoms of the crisis, in May 2007 a new state Land Act 8/2007 was approved in Spain, which tried to curb the urban excesses that had been committed in recent years in the name of land liberalisation operated by the previous Land Act of 1998, as well as the neo-liberal and expansive practices that we have seen at the municipal level. In addition, some Autonomous Communities have already proposed instruments in their urban legislation to declassify land. Specifically, Castilla y León Autonomous Community has opted for declassification at the regional level based on clearly regulated criteria (Third Transitory Provision of Law 7/2014) that are applied equally and automatically over its entire territorial scope. According to it, a series of deadlines are established; once they pass, the Developable Land that did not have their corresponding Partial Development Plan approved would be de-classified, and re-classified as Rustic or Non-Developable Land, meaning that landowners would lose the right to carry on with urban development on it. In the case of Sariegos, in October 2018 the plots were classified as Non-Delimited Developable Land that did not have detailed delimitation, urban planning and management approved before that date (which amounted to a total of 265.8 Has), were declassified.

According to section c) of the Third Transitory Provision of Law 7/2014, in October 2022 all plots in the region of Castilla y León classified as Delimited Developable Land that does not have their detailed planning approved prior to that date, will be also declassified. In the case of Sariegos, according to the estimations made in this research, the land affected by this regional "eraser" maybe around 128.5 Hectares, corresponding to 19 sectors, with a capacity of 3,426 homes, which approximately means that the automatic declassification will affect around 47% of the area classified by the 2002 Master Plan ("Normas Urbanísticas Municipales") and 57.4% of the number of planned dwellings.

With this massive land declassification there will be a considerable cut to the quantitative nonsense of the 2002 Master Plan, but there will still be some important pending issues.

The first is that the declassification will not affect the sectors that have already approved their Partial Develop-

ment Plan, even if they have not started its development or material urbanisation.

Another question -with greater importance in practice- is what will happen to the Developable Land sectors where -in addition to the Partial Development Plan-, the corresponding management instruments and the Urbanisation Project have been approved, or where the works have even begun. In these cases, beyond the drastic option of land declassification, the maintenance of these sectors raises a series of questions that are quite difficult to answer: How to maintain and conserve the executed urbanisation? What land category should these plots have for tax and cadastral purposes? And the most important: how to channel and redirect to these already executed sectors the possible demand for housing that may be reactivated at a certain time, avoiding the urbanisation of new rural land? The issue is especially complex, not only because there are no mechanisms to redirect this housing demand, but also because of the scope on which the potential demand moves is broader than the strictly municipal one, encompassing the entire urban area of León. In the absence of supra-municipal coordination structures, the first essential element fails to propose those readjustment and prioritisation mechanisms of the actions to be carried out that would be necessary to rationalise the panorama of what has been called "urbanizaciones fantasma" (void urbanisations -- urbanised land with no buildings-) that exist throughout the surroundings of the Leonese capital.

Finally, once the corresponding Developable Land has been declassified, after a costly round trip to return to its previous state of Rustic Land, one might wonder about the effective capacity that urban planning would have had to carry out the advance planning of the municipal territory, which is -in short- its primary function. And the answer would be devastating again: if the 2002 Master Plan ("Normas Urbanísticas Municipales") had opted for a healing-type growth, filling the interstices resulting from the previous disorderly urban development with the proposal of new urban fabrics, by means of these new pieces articulating the collage of inherited fragments, the automatic declassification -without any other criterion other than the expiration of certain deadlines for the drafting of the development planning- of some of these pieces will completely disrupt the possible coherence that the original idea of the Master Plan could have had. Once the 19 fragments that we have mentioned become declassified in 2022 according to the regional "eraser" of section c) of the Third Transitory Provision, their supposed healing capacity will be cancelled, and therefore, Sariegos will return to the starting

point of 2002: the inconsistencies between the mosaic of pieces inherited from the previous 30 years of urban development will persist, and —what is even worse— this collage would have some new pieces randomly added, corresponding to those developed from the urban model proposed by the 2002 NUM.

In short, in addition to this paradigm shift —which will avoid reproducing new excesses in the future—, in the Spanish municipalities affected by the mistakes of the past it will be necessary to promote repairing urbanism, which will need to develop new adequate urban planning instruments to solve the numerous pending problems and reconcile the interests —and even, in some cases, the acquired rights — of the landowners with the general interest and sustainability principle, as well as new supramunicipal coordination frameworks that allow broadening the necessary perspective for this obligatory exercise of rationalisation on a territorial scale.