1. **TOWARDS HABITAT III**

1.1 **Intermediate Cities: Urban Renewal and Growth**

Habitat III is the United Nations Conference on Housing and Sustainable Urban Development to be held in Quito, Ecuador, from 17th to 20th of October 2016. The United Nations General Assembly decided to convene the Habitat III Conference to strengthen the global commitment towards sustainable urbanization and the implementation of a New Urban Agenda, drawn in 1996 from the Habitat Agenda in Istanbul.

Habitat III will be one of the first world summits of the United Nations after the adoption of the Post-2015 Development Agenda and the new agreement on climate change (COP21). Habitat III offers a unique opportunity to discuss the major challenge of how to plan and manage cities and urban areas, to be the engine of sustainable development and may have a fundamental role in the implementation of the new global development goals and climate change.

The event to take place in Cuenca is one of the Thematic Conferences established within the Habitat III preparatory process. A number of official regional and thematic high level meetings involving a wide range of participants will debate priorities for the New Urban Agenda and draw policy recommendations in the form of a final participants’ declaration. The final declaration from regional and thematic meetings will be considered as official input to the Habitat III process. The Thematic Conference to be held in the city of Cuenca, Ecuador, aims to address specific issues related to intermediate cities. The theme of Intermediate Cities, including urban growth and renewal, was considered relevant as closely linked to several factors and elements of comprehensive and crosscutting nature, to the regional and global debate and in preparation for Habitat III.

1.2 **Why talk about Intermediate Cities?**

About half of the world population lives in cities and urban areas. In the next quarter century, virtually all population growth will be recorded in urban areas of developing countries. The consequences of urban growth on the environment are considerable: cities are consumers of natural resources and generators of waste but also represent opportunities for individual and collective development. Its potential lies in providing alternative solutions to the challenges that various types of urban settlements are facing today.

Cities under construction - some more progressed than others, but all with the determination of positive change in the shortest possible time - are more democratic cities, with strategic vision to achieve their goals and clear guidelines for the implementation of actions to improve the quality of services and public spaces. Cities are now following more sustainable patterns of development- incorporating creativity and innovation as constant working parameters – they are safer, cleaner, healthier and more participatory cities with accurate possibilities to decentralize their services following the principles of proximity but at the same time, seeking cooperation and civic responsibility.

The "Intermediate City" is a concept that can be approached from different points of view. In relation to the population rate, according to some authors, are intermediate cities the ones ranging from 20,000, 100,000 and 500,000, but in no event greater than one million. With respect to the role played, they are cities intermediating relations - in terms of goods flows and information management - between rural and urban areas. In regards with the impact zones of the cities (areas of influence which define spatial performances much more complex and significant), intermediate cities have an
impact on the formation of regions, some of them even exceed the limits of their political and administrative jurisdictions, sometimes with an international or global level.

Before the Industrial Revolution, the cities were small and had little population; but after it, the urban growth and urbanization process occurred rapidly, mainly because of the repercussions of a model of accumulation of capital. It was consolidated and boosted by new production technologies as the steam engine, industrial looms, the increase and improvement of the media, network services, metal, low cost labor occupation, housing claiming to be inhabited by people whose origin was primarily from rural areas, among other factors. This fast process of evolution tests the city's structure to adapt to new economic and social demand.

In 2010 and according to UN data, the urban population in the world for the first time outnumbered its rural population; in the future, significantly more people will live in densely populated mega cities, with all the associated problems, mainly in Asia, Africa and South America. In the developing world, every month more than 5 million people move from the countryside to the city. In the next 20 years, the world's urban population is estimated to grow by approximately 1.4 billion people. According to the United Nations (UN, 2014), 54 percent of the world's population resides in urban areas and by 2050 is expected to reach 66 percent. The greatest increases will occur in India, China and Nigeria, which together account for 37% of the expected increase between 2014 and 2050.

Moreover, the IDB data reveals that Latin America and the Caribbean (LAC) are the second most urbanized region in the world going from a rate of urbanization of 64% in 1980 to 79% in 2010. If this growth trend will continue in across the region, about 87% of the population will be living in cities within the next few decades.

The current trend of urbanization consists largely of creating a sprawling city, where the city functions get separated in highly specialized and distant areas, therefore they require long journeys to meet these functions. Only in the mobility area, these models of city occupation causes increased emissions of gases into the atmosphere, exposure to unacceptable levels of noise, accidents and labor hours wasted on commuting area. Apart from transport, raises serious dysfunctions in terms of complexity (generates mono-functional spaces), inefficiency (resource consumption is high) and stability and social cohesion (segregates the population according to their income).

It is necessary to go into another development model that meanwhile answers the dysfunctions that current cities have, it also address the challenges of modern society: those related to sustainability and the entry into the information society and knowledge.

The model of compact and diverse city that favors the concept of "proximity", incorporate several elements heading towards sustainability principles in the information age. This model allows conceiving an increase in complexity of its internal parts, which is the basis for a cohesive social life and a competitive economic platform. At the same time, it saves land, energy and material resources, and contributes to the preservation of agricultural and natural systems, ergo, it minimizes the extent of the footprint of human activity in the territory.

However, this characteristic of the compact city also provides one of the most difficult elements to manage in areas of sustainability, in fact, the system must support the concentration of environmental impact in minimal space. As a consequence the load, exceeding the adaptation capacity and response, decreases the resilience, with possibility of converting itself in a vulnerable and fragile model.

Moreover, problems related to the management and the regulation of the cost of land should be considered including those parcels of land in urban areas, which are often prone to speculative processes. Diffuse cities have major drawbacks such as high consumption of land and energy, affecting service provision costs, mobilization times, consumption of non-renewable energy and other factors. The failure to adopt a single alternative model of sustainable development highly depends on the size of the settlements and their impact on the environment. It depends also on the culture of each
community that question the advantages and disadvantages of each of these growth models, including discussing intermediate models or combination of policies to define strategies better suited to the reality of each country, and that will be finally evaluated for the quality of life these spaces offer its citizens.

Cities are systems built in spaces that depend on material and energy inputs and external information to maintain their functions, have the ability to tap, select and process information, which means they gradually evolve in their complexity. As they increase in size, cities require a larger organization.

Currently, the cities with an intermediate position are gaining prominence. This is because they are presented as more governable territories, have greater manageability and often provide better quality of life for their inhabitants.

According to UNESCO "intermediate cities" are nodes of the territorial network that sets the global urban system and are strongly directed by the dynamics of economic globalization. On a consolidated territorial network, they can be regional centers of balance and regulation - both demographically and economically - which may have an impact on reducing poverty, violence and ecological damage in the big cities. This would happen, if these intermediate cities would actively participate in the changes of geographical, ecological, social and cultural development, and so, in the patterns of production, consumption, and population concentration and spatial planning.

The main advantages of intermediate cities are in the opportunities of special organization hence they are acquiring a level of specialization that makes them have influence on other urban settlements and rural areas. In the intermediate cities, the social, cultural and economic interaction is evident; they can generate contacts in various fields as well as networks able to create hubs of different scales, that incorporated settlements because of the presence of basic infrastructure of communication, management, etc.

This last point can define the coherence to the principle of sustainability. Intermediate cities, in fact, thanks to their scale and dimension, can be adapted in a more harmonious way to their natural environment, as they are concentrically surrounded by numerous rural settlements so that it's difficult to determine where the urban space ends. This space is where they have established productive, social and economic ties: employment and food supply are two of the elements that mostly affect development patterns and land use. The economic dynamism is also related to the rapid increase in population experienced in recent decades that integrates intermediate cities in regional and national networks.

Probably, the greatest potential of intermediate cities relies in the possibility of coordination with rural population and territories, offering - among other benefits - better living conditions, more job opportunities and less polluted environments. However, they also have limitations as they need to strengthen their position in order to attract more investments, improve the public administration and adapt themselves to the global context, as well as, to address issues related to the rapid economic and urban growth, including the loss of its historical cultural and architectural heritage.

Intermediation is multidimensional, concerning different levels of interaction of the city's life: economy, environmental sustainability, urban development, public infrastructure and services, institutional structures, as well as, social and cultural aspects. The geographical location of an intermediate city can also determine its functions in relation with other cities becoming economic, administrative, and touristic and communication centers at local, regional, national, or even, international level.

On the other hand, the high dependence from the central governments can represent for intermediate cities a limit in managing and solving their problems directly. This, fundamentally, would require the good governance practices that make the administration efficient and inclusive.
2. INTERMEDIATE CITIES: GROWTH AND URBAN RENEWAL

2.1 National approach and Government policies

The new Constitution of Ecuador represents a breakthrough in the right to a dignified city in the region. The right to housing is embedded in the broader context of the village, the city and the environment in general, that is, a 'secure and healthy habitat'.

According to the Population and Housing Census 2010, 62.7% of Ecuadorians live in cities, a figure that - according to projections by INEC - will increase to 64% in 2020. This has caused inverted distribution between urban and rural population, which in 1970 was 39.5% and 60.5% respectively. In the near future, Ecuador will strengthen as a primarily urban country, with a strong impact on production and consumption patterns, social mobility and internal migration. This shift will also impact on the values and the development patterns that motivate individuals and unite the society in which they live. On the other hand, the majority of Ecuadorian cities are experiencing a disorganized and uncontrolled growth, social exclusion and territorial fragmentation, as well as a great human pressure on ecologically vulnerable and agro-productive lands. In addition, there is a the lack of urban land and affordable housing supply for the most economically vulnerable population, as well as, the prevalence of speculative dynamics in the land market, which push the majority of low-income population to settle in irregular spaces.

At the same time, most of the local government has low fiscal and technical capability and lack of financial resources to provide services, reducing the housing deficit, improving public transport and generate qualitative public space. On average, financial transfers from national budget cover 81% of municipal budgets, property tax does not exceed 2.7% of total revenues, and special contributions for improvements represent only 12% of municipal tax revenue. Clear planning regulations and efficient tools for the control of the land use and speculations, are lacking and the availability of technical expertise in territorial development is insufficient.

Faced with this reality, the national Government’s actions and politics have focused on establishing principles and concepts to facilitate appropriate urban planning and land management tools. These tools are tied to regulations for land use planning and linked to the budget execution in order to create an institutional framework to effectively regulate and monitor the implementation of policies.

Citizens land rights

The Constitution of the Republic of Ecuador adopted in 2008 guarantees individual and collective rights that represent a substantial paradigm shift in the regulation of social, economic and political conditions as opposed to the current pre-eminence of the logic of the capital.

The Constitution recognizes new citizens’ rights related to the urban development and the seeking of a more equitable, inclusive, sustainable and democratic rights in cities. These rights guarantee the access to public space, a safe and healthy habitat, adequate and decent housing and the access to public and private goods and services of quality.

The Constitution also refers to the right to the city has based on the three conditions listed above. The Constitution further guarantees the right to property in all its forms, but subject this right to its social and environmental responsibility and purpose. It also explicitly prohibits profiting from speculative practices on land use - particularly for change of use - from rural to urban or from public to private. The rights of citizens on the land, the habitat and the housing are part of higher goals defined in the Constitution such as poverty eradication, sustainable development and equitable distribution of resources and wealth. In turn, the Organic Code of Territorial Organization, Autonomy and Decentralization-COOTAD...
aims to strengthen the administrative autonomy and the decentralization process, to promote a balanced and equitable spatial development and to implement the right to a safe and healthy habitat and housing in the territorial constituencies.

**Rectory national and local competitions**

The Constitution empowers competences related to the generation and implementation of public policies in the field of housing and habitat at all levels of government, and establishes the primary duty of the State to strengthen the financial, administrative and political autonomy to autonomous local governments. Under the Constitution, the stewardship of habitat and housing is assigned to the central government, determining that the State shall adopt appropriate national policies to ensure universal access to safe and healthy habitat and adequate housing.

Moreover, to complement the leading role of the national level, the legal framework assigns responsibilities to other levels of government in terms of land use, housing and management. Concurrent powers are exercised at different levels of government and the land territorial system in the implementation of policies, plans and programs for the habitat including the universal access to housing. Exclusive powers are assigned at the municipal level to regulate and control the use and occupation of urban and rural land. However, it is clear the close relationship between these functions and those related to habitat and housing. It is clear that, in the Constitution, the guidance of the national government and the autonomy of the autonomous local governments are conceived as complementary functions to be exercised according to the principles of coordination, responsibility, subsidiarity and complementarity.

In Ecuador, the local governments of Cuenca has an outstanding experience in creating a history of urban planning. Cuenca has in fact, been one of the few examples of planning processes that have been implemental and have also made significant achievements in relation to the provision of infrastructure facilities, basic services and the recognition of its cultural and architectural heritage. Cuenca has been nominated by the World Health Organization (WHO) as a healthy city and by the UNESCO as a World Cultural Heritage Site.

The city of Cuenca projects itself as a city with great challenges and good opportunities to become a sustainable city. From the point of view of competitiveness, Cuenca has a crucial element: it is one of the cities with the best quality of life in Ecuador.

Under this premise, the need of rationally and efficiently using the territory requires knowledge of the existing city and its real possibilities of transformation, finding viable solutions to the phenomenon of peri-urbanization where rural land is occupied and developed for urban exploitation purposes overflowing the official limits established by competent authorities. The Knowledge of the real demands can generate more options of finding the balance and the efficiency to save money and generate wealth.

Currently, the implementation of new planning tools - such as the updating of the Plan of Development and Land Management of Cuenca; the urban zoning proposal; and the development of the Comprehensive Plan for Mobility and public spaces - are a substantial part of its public policy to implement projects with a new vision and perspective based on the recognition of the lessons experienced by the implementation of previous planning processes.

### 3.1 The imminent need to overcome the identified challenges

Cuenca has been characterized as a city with an innovative public administration and a high demanding citizenship, which has allowed the Municipality to achieve development goals ensuring a high social equity and respecting the environment and cultural heritage. Its historic center was declared a World Heritage Site by UNESCO in 1999. The city has a high
efficiency and coverage in the provision of public services, excellent quality and coverage of health services with a high level of education within the national and regional context.

Now Cuenca faces a major challenge to achieve the objectives defined in the territorial strategy of the National Plan for Good Living. Cuenca is also called to assume a clear position as a “national structural node” without losing the conditions that allowed the city to support its quality of life including its culture, the management of its natural surroundings and the proximity of services.

Cuenca like other intermediate cities faces a high population growth which complicates its situation. Despite having a downward trend (average 3.26% in the 90s and 2.01% in the decade of 2000), census data now indicate an increase of the population in rural areas, especially in the peri-urban areas. The city boundaries have remained without major changes since 1998, which gave the false image of stabilization of the urban population growth. That evidence the expansion and the occupation experienced in its periphery, called "periurbano". In fact, estimations show that the city will see an increase of its population from 459,057 inhabitants in 2010 to 703,220 inhabitants in 2030 and 901,499 inhabitants in 2050, a 96.4% increase from the current population.

The first effects of the population’s growth begin to be evident in the mobility issues and the sustained increase in vehicle fleet and traffic conflicts. Those effects require a comprehensive planning of mobility in order to increase the level and functionality of the public service system as well as to lessen the negative impacts, thus improving the environmental quality.

Longer travel times as well as the contamination of the air aggravate the limitations of the reliefs, topography and soil stability that the physical environment imposes for urban expansion. The city is bordered by the mountains, surrounding the valley in which it is located. These make up its landscape and identity, representing reserves of environmental and heritage protection but also challenges in terms of vulnerability.

Planning models have not been able to completely settle the demands of access to housing for economically vulnerable sectors. Thus, contradictories urban development patterns have been implemented under a market logic sought to incorporate more land to the city to ensure the opportunity to acquire land (in response to the growing demand, a greater quantity of the product offered -soil- should have result in a reduced cost). Unfortunately, the immediate effect was the increase of the value and the occupation of areas that were not originally established for inhabitation. That left behind large "interstitial" areas where to cross and expand connectivity networks and infrastructure for the provision of basic services in unplanned areas, leaving a trail of disjointed and equipment lacking networks.

This expansion process, based on the exploitation of the periphery, led to the occupation of areas whose activity was historically linked to agricultural production. This had a cultural impact that it is still evident, altering the way of life of the rural population. In fact, nowadays, customs and imaginary of rural population, idealized as development scenario the incorporation of urban factors and elements. This situation was consolidated with migration flows of the decades of the 80s and 90s of last century to industrialized countries, where practices and lifestyles were strongly linked to other models of occupation and use of resources.

### 3.2 Cuenca City-Region

The urbanization process in Ecuador has been set by the characteristics of each territorial region “… associated with productive ways, social relationships, political structure, ecological zones and natural conformation, etc.”. Two periods can be identified: the first related to the occupation and establishment of settlements in the colonization until the mid-nineteenth century, and a second in which onset occurs to urbanization and that persists to this day.
At the beginning, the Spanish conquest led to the location of settlements designed as places of control of large mining and agricultural areas. In this instance, Cuenca appears as a center of the mining area of southern Ecuador, and its development is based on the regional productive model which, in that case, varies from mining, textile and, later on, farming. This started a process of cooperation with the north of Peru but also with the Ecuadorian coast, which continually brought Cuenca to seek a business relationship with the city of Guayaquil.

The momentum of the agro-export model to mid-twentieth century generated the demographic growth of the coastal zone. Migration from the countryside to the city develops around Quito and Guayaquil increasingly concentrated population with capital and productive activity increasing urban and rural differences. With the start of oil exploitation from the 1970s, economic development programs aimed to distribute the surplus income introducing industrial investments, funding new institutions and strengthening public institutions that produced services.

In this context, the city of Cuenca benefited from the arrival of industrial activities, the improvement of trade relations with other national urban centers and the provision of quality services including health and education. These factors in synergy with the geographically privileged location in the south of the country, boosted its local economy along with population growth and expansion of city limits that quickly expanded in a few decades from 1024 hectares in 1950 to 6187 hectares in 2010.

The National Spatial Strategy National Plan for Good Living 2013-2017 identifies 17 processes of concentration of urban population and defines a polycentric settlement network that is hierarchically structured including specific roles and policies aiming to achieve a more balanced distribution of population by growing intermediate cities. A better utilization of land resources is also sought through interventions to deepen the economic specialization.

In this territorial model, Cuenca is assigned a hierarchy as a national node whose purpose will be creating productive synergy and complementarity networks with other cities in the region, encouraging activities that create jobs and sustainable long-term opportunities. To achieve this, it must meet guidelines for the control of the expansion of human settlements and promote the consolidation and densification to avoid consuming agro-productive land.

4. PLANNING AND INTERVENTION POLICIES FOR THE INTERMEDIATE CITY

"Intermediate Cities: Urban Renewal and Growth" was born as a proposal that seeks to address the phenomenon of growth. It aims to meet the need of intermediate cities and for their managers to take a position addressing the key global challenges related to sustainability and climate change.

With this background, Cuenca conceives its territory as a flexible platform on which creatively optimize its resources and potential without compromising the heritage of future generations. A territory in which the natural vocation goes together with the responsible use of assets, for the generation of new sources of income.

Cuenca as Intermediate City is one of the concepts that demand an approach to contextualize the urban phenomenon in the wider environment where its roles and challenges can be understood with a logic of interaction through a network with other settlements with which resources and energy exchanges are established.

From this starting point, the logic of development in cities provide interventions of public policies to be implemented by local governments with creativity and effectiveness, for the management of areas for growth and expansion. In addition, local governments should seek a renewal of the existing city and of its cultural heritage (which corresponds not only to its population but also to the global collective from its declaration as equity). In this sense, the city is conceived as a "living being" with a continuous process of transformation and adaptation, where the oldest layers are related to its historical and
cultural heritage and are the witness of the changes experienced throughout its history, in constant dilemma about its ability to adapt to new economic and social demands.

The challenges for the intermediate city are related to the use of its potential and the management of its limitations. In the case of the city of Cuenca, it has been given emphasis to promote policies that improve governance, incorporating citizen participation and progressively working on inclusive planning processes that go side by side with citizen participation. Progress was also evident in gender equity, considering the needs of women and their role in the process of building the society especially in rural areas where the consequences of migration problems still exist and where women constitute a cultural and economic support.

It stresses the effort to strengthen local public finances through the improvement of tax recovery processes, reinvesting of financial resources in new interventions helping the productive sector of the construction but without limiting the contribution and the impact generated by the private sector.

Successful were the attempts to preserve the model of services proximity city, where the human scale begins to question the design and construction of exclusive spaces for automotive use, a constant concern that has led to the search for transportation systems that use clean energy and incorporates spaces for non-motorized vehicles.

The gradual strengthening of the government approaching its management and support for the rural sector is constant and positive. The lessons learned tend to point out that there is a growth around the administration of these territories by rural autonomous decentralized governments and in various fields maintain working relations with the city and other levels of government.

An effort to structure the system of cities in the region is still pending. Cuenca has boosted its position internationally by publicizing its cultural wealth through activities and tourism promotion by achieving an important international impact that has led it to be considered one of the top worldwide destinations. Its high levels of health and education services has not only linked it with the southern region, but also converted Cuenca in a reference host for the foreign population, particularly the elderly. The city is aware of its vulnerability to climate change but its size still allows it to set short-term actions that have the necessary effectiveness to leverage its environment. However, the resilience decreases as the occupation of no urbanized restrict the environmental and agricultural production resources that have historically served Cuenca.

4.1 Urban Development Policy for a smart urban growth: Densification, Adaptation to reuse and recycle Urban Spaces

To achieve a more equitable territorial system, the planning tools should seek to articulate and consolidate a network of settlements in the periphery putting in practice the principles of effectively and responsibly de-concentrating, decentralizing and rationalizing the levels of services’ trade between rural and urban areas, and between villages and the city.

Since Cuenca was created, it has gone through several planning processes designed from different perspectives. The implementation has been positive to determine recognizable urban approaches, which have walked closely with tools that strengthened the territory governance in terms of regulation of land’s use and occupation.

This holistic and comprehensive approach to the territory, in which prime an interdisciplinary focus, will be a new base to adjust a model of growth according to citizen demands that will meet the vocational skills of its territory.
Complementing different levels of urban and territorial planning would be a major bet to properly regulate the growth of the city. The Development and Land Management Plan, prepared by the Municipality, define a local hierarchy, been part of its jurisdiction, that will set the path for policy of growth in rural areas, where the provision of basic infrastructure networks have defined its current configuration. The model of occupation cannot be untied with the model of economic development. In order to improve productivity at different levels (from the small producer, and the small, medium and large industry), it is important to base on the city’s comparative and competitive advantages by promoting strategic and productive projects - with both a long-term vision and short-term goals - which will guide the actions of the private sector, as well as the identification of new areas for growth, resources’ promotion and incentives.

The new model aims to respond to the process of conurbation of the city with the towns of the canton’s rural parishes to consolidate a "city net" by providing solutions to the problems caused by urban sprawl. This phenomena, in turn, has generated: spatially and functionally diffuse segregated structures in the suburbs, the decline of population and housing functions in the historic center, and the continued increase of traffic volume with a consequent impact on the environment and on land use resource. An alternative - raised in the past but that has not become completely effective, which is the polycentric and balanced urban system. In this system, the development model is that each settlement uses their resources effectively, and they are functionally linked through a process that provides response to one of the main issues of today, when it comes to planning and implementation: comprehensive solution to mobility.

### 4.2 Recommendations regarding Urban Development policies

Recommendations regarding Urban Development policies invite us to consider urban planning and land management as complementary and necessary elements to achieve a more harmonious and sustainable growth. This suggests also models of growth that link urban and rural areas as inseparable elements and that generates technical tools to support legal frameworks that operationalize the land management, viewed as a non-renewable resource. Intermediate cities urgently need to implement and enforce processes of urban planning and land use based on principles and policies that transcend local governments tournaments, thus, able to build a collective visions which will further principles of city’s qualified densification through a comprehensive urban intervention which consider strong urban-rural linkages. Intervention and Planning for Mobility with an integrated nature

Cuenca is a city of contrasts where modernity and cultural heritage fuse so that culture, history, traditions, architecture and landscape become core elements for its international recognition.

Since its creation as Santa Ana de los Ríos de Cuenca to now, the city has seen a continued growth which keeps expanding radially. Over the past decade, the increase of population growth and density - both in midtown and in the periphery - have led to major changes in travel patterns that worsened the existing problems of mobility generating higher levels of noise and air pollution especially in their consolidated core, and promoting longer trips and investment for expansion of road infrastructure in periphery.

The city made important steps to address the problem mentioned above from a perspective closer to its own reality. That's why it applied a management supported process of the traffic and transportation competence that refers to its planning, regulation and control.

The growth in travel demand was also characterized by low-quality modes of transportation and by a limited and disjointed road network, consequence of an urbanization pattern that prioritized the interest of occupying more distant areas because of its low purchase cost. The increasing of the vehicles number reduced the average speed of travel and increased the travel periods. From the data obtained, it is estimated that each year about 10,000 additional vehicles
integrate the mobility system; most of them are private vehicles. This phenomenon is due to many factors as economic growth, sector revenue improvements, gaps in public transport, convenience and credit facilities, and the perception of the car as synonymous of high status.

To address this situation, the city has worked to offer a public transport service of quality. The vehicle fleet was reduced, the service companies were reorganized, and urban transport vehicle fleet was renewed in order to reduce environmental emissions. A new fee collection system was established, which has supported improvement in the service and higher frequencies; exclusive lanes for movement of public transport buses were implemented. Since 2005, Cuenca has an adaptive traffic light system that allows the online management and control of vehicular traffic from the central unit to the main locations of the city. The camera system - which is currently linked to the central ECU911 - allows monitoring various parts of the city thereby safeguarding a balanced traffic flow in the territory.

From these measurements and as development of the city grows, we have the urgent need to think of a new mobility scheme that goes beyond the organization of the transport vehicle. We currently think in a new model that would put the pedestrian at the center of the mobility plan to handle the human scale and allow the transport of persons without dependence on the vehicle. Currently, first phases of several projects have started to improve the mobility of people within the city by optimizing travel periods and prioritizing non-motorized transport systems and mass transit systems such as "Cuatro Ríos" tramcar. These elements have been articulated to the Mobility and Public Spaces Plan, guidance instrument that applies a methodology for evaluating urban pedestrian corridors and the project for recovery the historic center supported by criteria of area issues.

The objective is to create and consolidate a multimodal transport system on an urban network of corridors, which is not limited to address transportation but also aims to empower public spaces to become intermodal nodes and attract non-motorized mobility linked, at the same time, to the public motorized system.

The qualification of a self-sufficient, hierarchical, sustainable and connected network infrastructure becomes a vital support of Cuenca’s development model in order to reduce gaps between urban and rural areas with quality transportation system. Without it, it will not be possible to achieve the identification and the management of urban functions, or to strengthen a recognizable structure able to recover the public space by rescuing landmarks, corridors and nodes. Enhancement of Cultural and Constructed Heritage: Historical and Heritage Areas

The city will soon celebrate 460 years since its foundation by the Spanish. The richness of its culture still persists and, as a consequence, Cuenca was declared as Cultural Heritage to be registered in the list State Property of Humanity.

Since the beginning, the city’s configuration was based on: it’s administrative and regulatory framework, its strategic location, utilities, mapping checkerboard, the orientation of the streets, the distribution of land, the location of the inhabitants segments, shaping neighborhoods jurisdictions, the administration area of the city, religious services, trade and social activities. It was conceived as a planned and orderly territory, with greater or lesser influence in the region. It is important to note that from this moment there are marked differences between the Country and City.

"The quality of a city is defined by the balance between its functional and formal structure, expressed by the scale defined by their districts and neighborhoods."

It is important to highlight an urban element that represents the city since its foundation: the creation of indigenous neighborhoods and the urban location of a variety of crafts business. This is related to the racial segregation imposed during the colony, which was reflected in a spatial configuration, but also with practical aspects of specific locations of sites for the provision of raw materials. This smaller territorial unit (the neighborhood) eventually gives to Cuenca its cultural identity. Inside the neighborhoods the city generates social cohesion and the most important cultural events also occur there, promoted by several organizations and groups.
These associations, organizations and groups are the ones who generate socio-cultural wealth and promote social criticism against politicians and formal political and city spaces. This primary essential public dynamic is getting gradually lost due to the urban expansion that began with great force in the late twentieth century, affecting indirectly the social cohesion.

The presence of crafts, art and the subsequent declaration of the city as a National Heritage in 1982 and World Heritage in 1999 are the milestones that produced substantial changes in the cultural structure of the city. It is important to mention that those Declarations could not have been achieved without the efforts of civil society (Civic Action Movement in the 1960s), the Faculty of Architecture of the University of Cuenca and public institutions such as the National Institute of Cultural Heritage, the Historic Center Commission, and to the efforts to protect the heritage sites through municipal ordinances. Urban planning adopted criteria that integrate cultural considerations in the definition of protected areas.

The efforts of the Municipality and the civil society were the main elements that contributed to the preservation of built heritage. Different regulations and ordinances as well as planning proposals for the conservation historical areas of the city, were another element that contributed to heritage preservation, as at some point in the past, modernization tried to get rid of old buildings, to make space for modern ones, with the consent of law.

In the current scenario of the city, new needs are being addressed from interventions in public spaces, recovery and enhancement of representative buildings to encouraging public investment to incentivize the sustainability of heritage. This can mainly be achieved by restoring the residential use in historic buildings.

The establishment of mobility projects on a large scale in the historic center certainly tested the vulnerability of this space with regards to the building land need as a support to the new social and economic structure. However the mobility projects intend to keep the warm, harmonious and lively perception of the place, as nationally and internationally admired. The city faces a new challenge to lay the groundwork for building a dialogue between different cultures that now inhabit it. The city, that once was conquered by the Spanish and that was occupied by pre-Hispanic cultures, is now discerning to protect its heritage and to be open to other cultures.

The preservation of the city’s heritage goes beyond its historic center. The growth of the city in the peripheral areas has brought negative impacts with respect to the environment, the landscape, etc. Criteria promoted by international organizations such as UNESCO pose new demands for the protection of its historic urban landscape. This imply that the city’s goal should be to promote the safeguard and management of the urban heritage through institutional and legal mechanisms for the protection and conservation of cultural and natural heritage, taking into account the values and traditions of the different cultural contexts in which such a holistic approach is applied.

4.3 Environmental Management as an essential part of the Planning and Development

A sustainable city cannot be realized without, understanding the indivisible relationship between urban and rural areas, promoting more compact urban areas, with actions to regulate the land market. The city should ensure the access to decent housing in areas that have basic infrastructure services whenever local governments wish to participate in the regulation of substantive elements of the urban economy, such as land rent. This model of occupation will also contribute to the responsible use of water, energy and natural resources, as well as treatment, reuse and disposal of waste as it is part of the ecosystem and the urban cycle.

The Municipal territory of Cuenca has an eminent vocation for conservation and environmental management that give it a high fragility against a number of human activities.
The work carried out over several decades focuses on the conservation and management of water sources to ensure water quality for human consumption. One of the most important areas in this matter is the Cajas National Park, a place that has earned several recognitions by organizations like UNESCO and RAMSAR.

Currently, the Cajas National Park is the core area of the international Declaration by UNESCO in 2013 as a Biosphere Reserve; this gives international recognition to the territory where there are biodiversity areas with great productive capacity and sustainable tourism development.

The economic contribution and civic inclusion in the management of water resources, ranging from the preservation of the source to the wastewater treatment and disposal, created a major environmental awareness for environmental conservation. In 1924, the Municipal Company ETAPA installed the first water treatment plant strategically located to provide clean and safe water to the citizens. At the time, the level of water coverage reached 96%. The percentage of households with access to sanitation sewer service is 84.5%. The quality of air emissions as well as noise pollution is a complementary factor that has been tabled for consideration to decision makers and would need to be addressed in the near future.

Cuenca continues to show progress on solid waste management. The improvement of the quality of service and disposal process was a major shift in the public administration at the end of the last century.

These actions to implement proper disposal and solid waste management have allowed the Municipality to work on separation and recycling of waste, activity that must still be improved. The use of waste decomposition (biogas), for energy production, contributes to the aspirations of the Kyoto Protocol and takes firm steps in the search for a balanced environment and the achievement of alternative energy sources. Coverage levels of solid waste management are high (98.6%), this fact demands the Municipality to reduce the volume of waste in the next few years from the current volume 430 tons / day.

Undoubtedly, one of the factors that attracts the most in the city is the environmental and landscape quality of water courses that cross the city. The rivers are directly related to the configuration of the city and also constitute the green structure of environmental and social support (linear city parks are places of widespread use by the population and contribute significantly to the percentage of green areas. This also constitutes for the city a vulnerability factor to natural disasters and highlights one of the characteristics of a typical town located in the Andes surrounded by mountains and by the presence of natural waterways that can regularly bring flooding and geological instability problems. Therefore, the city is incorporating actions to reduce the negative impacts. The integration of risk studies in urban planning processes with better scale has been possible thanks to a specialized technical area for risk management, where prevention and preparation for an immediate response are critical. The environmental management processes require continuous application processes, linked to planning and urban development, and where civic participation is necessary. The model generated in the city of Cuenca made economic sustainability viable by issuing rates for high quality services, receiving in change the population’s commitment to help maintain its environmental heritage.

### 4.4 The Role of Public Spaces as support of the Social Structure

Build a more equitable and inclusive city is one of the objectives to be achieved by applying principles of universal accessibility. The city recognizes that the enjoyment of public spaces is one of the benchmarks and indicators of the quality of social relations. The process of intervention in public spaces has taught the city that it is necessary to create legal frameworks that make the needs and demands of citizens viable in operational plans, actions and projects that directly solve the problems expressed through different participation mechanisms.
The intervention on these areas has resulted in experiences with various levels of success. In spite of the great amount of criticism from the public, the sense of belonging has increased gradually thanks to the public occupation of these places. Promoting the inclusion of social, generational and gender groups is a work in progress and is realistically identified as the greatest challenges Cuenca is assuming for urgent action.

The city, according to its location, geographic and hydrographic landscape, also has elements that become part of the public space and characterize the city. Therefore, many elements have been added to these natural landscapes, such as linear parks, in order to maintain an adequate green infrastructure. Besides, they have become a substantial characteristic of the urban image, providing a sense of appropriation by the citizenship.

It is important to note that the city as also committed in generating stationary spaces that can also be recognized as landmarks, that are, for the citizens, not only functional places but also elements on which build their own sense of belonging.

Spaces must be interconnected. The establishment of a road network and its adaptation to the city’s growth have been changed the role and design of the streets and avenues of the city. The aim is to build a more humane and environmentally sustainable city, with a better quality of life. Increasing citizen ownership will also recover spaces for pedestrians allowing a better coexistence with the vehicle. This should start with policy and planning of mobility and public space that link roads and identify connectors spaces in which pedestrian are prioritized.

The process of improving connected public spaces has been continuous. The intervention in urban streets and avenues has been achieved through the implementation of successful management models that include public participation to improve the understanding and sustainability of the intervention and the subsequent economic recovery for it to be reinvested.

### 4.5 Economic Development, Equity and Social Inclusion, and Cultural Strengthen as Challenges of Public Management.

One of the lesson learned by the city administration is that the promotion of the economic development go through clear and flexible mechanisms, aiming to attract public and private investment, considered as interdependent, taking advantage of the public investment as a boost, though not the only way, of sustaining the local economy. Thus, decisions concerning the application of technical instruments (plans and regulations) are adopted to change institutional political processes, optimizing the technical and financial capacity of the institution, strengthening participation and good governance principles of civic responsibility in both urban and rural areas of the city.

Growth forecasts for Cuenca towards 2050 states that in the next fifty years its population will be duplicated, which will involve both a densification of the city built and an expansion of the demands of urbanization that will result in the creation of new urban cores. These forecasts are a challenge for authorities, institutions and even for the people themselves to take advantage of growth and solve expanding problems creatively. The challenge resides in how to take up the growth and expansion without turning Cuenca into a city of many cities more standardized and homogenized by modernity.

Economic sustainability cannot be addressed from a purely economic input. It is required to see the economy as part of a holistic system, in which the interrelations of the community with the land and nature are integrated, as well as its people and cultural diversity. In other words, it is not possible to have an economically sustainable society without an intercultural ecological sustainability.
The economic strategies that have enabled the good development of the city are related to the creation of efficient mechanisms of local government that have provided quality services and coverage of the population with public participation and transparency. The city cannot lose this asset if it wants to be sustainable in the future. The creativity of the people who formed a network of goods and services provision based on popular solidarity economy, is another important asset of the city. Its best representations are:

- The dynamism of housing construction generated by the resources of the population promotes the creation of jobs and construction as well as small and large scale industries.
- Craft production that has achieved degrees of design and quality, in some cases accompanied by industrialized processes.
- The virtues of hospitality that result in values and income through tourism activities.
- The growth of small and medium industry with the introduction of technology and quality.

Social equity has been conceived and developed as a social process that consists of interrelationships, behaviors, actions whose objectives are articulated around meeting the axiological and existential demands of those who live in Cuenca. Equity and inclusion also have been identified starting from the recognition that as social beings we are protagonists and promoters of social processes.

Attention to vulnerable groups evolved from an assistance perspective to a rights-based approach, integrating strategies that will result in the establishment of public policies at the cantonal level in the social field.

From this vision and conception, one of the Municipality potentiality has been the implementation of social networks that enable the articulation of public institutions with civil society. This linkage starts from the recognition that many institutional services that were isolated from people had no impact in quantitative and, especially, qualitative changes.

Cuenca has created many local networks and councils dedicated to project different public policies which have strengthen the promotion and participation of the community. Within these processes, the city has achieved higher levels of institutionalism through the passing of several local administrations at various territorial levels.

The municipality’s concern in planning with a gender equity approach has enabled the creation of the Department of Planning and Management for Social Equity and Gender, where, in coordination with different actors, guidelines are formulated for Equal Opportunities for Men and Women, focusing on poverty and other aspects of gender discrimination. This unwraps multiple proposals such as Parish Gender Participatory Budgeting, The Second Local Plan for the Eradication of Gender Violence against Women, Cultural Policy Gender Proposal, and Gender Mainstreaming in Municipal Management.

From 2000-2015 principles of equity, equal opportunities, combating all forms of violence and exclusion, have strengthened both the organizational and institutional representation and the administration’s positioning on these subjects. Today we have an Inter-institutional Network for the Prevention and the Treatment of Domestic Violence and Gender that is included in the Municipality budget to prevent and respond to violence against women. Cuenca also counts on the Citizen Observatory of Communication, where people are educated about non-sexist communication. The Cantonal Bureau for Violence Eradication was also established as well as the network of Sexual and Reproductive Health of the Canton Cuenca.

Cuenca recognizes the participation of women starting from their rights as citizens face to the local government, in the creation of cantonal public policies. The recognition of diversity and identities is expressed in policies and regulatory bodies as well as substantially guaranteed in the processes of territorial planning, which reflects the significant contribution
of networks and which recommends the strengthening of the process of public and private equity, identity and ownership as political actors.

4.6 The visions and the challenges of Cuenca as Intermediate City towards the future

The city aims to strengthen coexistence, innovation and development to meet the need of current and future citizens, including immigrants, assuming its role and building on its own identity as part of the World Heritage Cities, and recognized as a premier destination for locals and visitors.

The city aims to consolidate its growth and regeneration with services and local facilities, with interventions not limited to the maintenance of the aesthetic image but also to fit the parameters of use in which the housing is a priority but not the unique goal, where public spaces provision of better and adequate services, designed for the human scale and thought and managed as a single network.

Strengthening neighborhoods as recognizable and desirable socio-spatial units that articulate citizen participation, contribute to people’s organization and daily work, while based on dialogue and mutual trust.

The civic responsibility should go beyond the polite behavior in order to reach the civic engagement level and the collaboration in the implementation of proposals of integrated projects with verifiable results and budget accountability.

The auspicated city is the one with more opportunities, different, with collective responsibility, with vision changes to create new leadership, working teams that dialogue and try to achieve the changes need, with bet to communicate with the Central Government through contributions and proposals closer to the citizens’ avoiding excessive dependency in order to continue the progresses that historically made Cuenca a benchmark in many areas and aspects.

Moreover it must be a city where the public housing is accessible to all, especially to young people, taking the empty land, which is now subjected to the speculative process that only benefits a few at the expense of the majority. Since the inability to build housing at reasonable and affordable prices stem from the major limitation of the abuse and the excessive price of the urban land, replicating this trend in midsize towns and rural areas.

A clear vision should be furthered in working with universities, promoting the application of new knowledge in the territory, encouraging the use of more sustainable technologies and fundamentally contributing to the creation of spaces for harnessing the human talent and preventing its migration.

Cuenca should benefit from the potential of communication and application of technologies, as a regional benchmark, and that locate itself in national and international networks to position itself and keep innovating and improving its management mechanisms for development.

Cuenca aims to direct tourism policies to cultural promotion avoiding, at the same time, that the historical center is converted in an exhibition space due to the ending of residential uses of the buildings. The city embraces this vision of tourism attracted by the culture and the quality of life, but still maintaining its identity and personality, in which projects should not be the premise but a continuous learning process.

Take a step forward in the building of the information society in which the concept of Digital Citizenship will be consolidated as an essential element to support, -taking advantage of Information Technology and Communications - creation of public companies that compete and are integrated as a valid alternative to the obedience only to profit logic but also to a strategic development vision. The Technology should be enhanced to a basic tool for the development of all human beings in the pursue of a more equitable society.
The proposal points to a city that is space for life without barriers that enable citizens to experience the natural and cultural values, inverting the current trend to emigrate or isolate themselves, because of the insecurity generated by anonymous spaces without character or public ownership.

Without citizens there is no citizenship, redesign and recover the public dimension is an urgency with the only aim to transform and translate it into more human and sensitive area, preventing the increasing of the differences between neighborhoods and areas of first, second or third category. For this reason, we should prioritize actions in degraded areas where public service have not reached yet and both the population and the environment call for short-term solutions that combine ecology with intelligence.

We work towards the seeking of intermediate sustainable cities, that offer good quality of life for its inhabitants, minimize impacts on the natural environment and preserving their environmental and physical assets. Cities which promote economic development, becoming competitive as part of a network which furthers a national vision; a vision that is effectively projected at an international level facilitated by the globalized connectivity and communication. To avoid mistakes made by cities while coping with rapid urbanization, we should protect the healthy social fabric, increase employment, preserve the environment and face the challenges related to climate change. To do that, it is necessary to reflect on responsible planning as the starting point for a change, including the active participation and knowledge of citizens, for which it will be necessary to expand the vision and perspective beyond their own individual needs directing them to build a shared vision.