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Abstract: We synthesize state of the art knowledge to classify and value ecosystem services for urban planning as a tool to promote heath, quality of life, and resilience in cities. First, we categorize important ecosystem services and disservices in urban areas. Second, we identify economic, socio-cultural, and insurance costs associated to the loss of urban ecosystem services. Finally, we define ways in which ecosystem services valuation can inform urban planning and we indentify challenges to valuation in the context of high heterogeneity and fragmentation in urban ecosystems. We show that urban ecosystems services have the capacity to significantly enhance resilience and quality of life in cities and we show that their loss can involve long-term economic and insurance costs, as well as the erosion of a variety of social and cultural values. We conclude by identifying knowledge gaps and challenges for the research agenda. Ms. Ref. No.: ECOLEC-D-12-00011R2 Title: Classifying and valuing ecosystem services for urban planning Ecological Economics

Cover letter to the Editor

Oslo, August 28th 2012

Dear Editor,

Thank you for submitting the new review of our manuscript.

We conducted a revision of the manuscript addressing the comments of the reviewer and polishing the text. Details on how each comment was tackled are provided in the attached letter to the reviewer. We hope the editors and the reviewer will find the revised version of the manuscript suitable for publication in Ecological Economics.

Sincerely yours,

Erik Gómez-Baggethun, on behalf of the authors

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Letter to reviewer:

We thank Reviewer #2 for her/his quick feedback to the revised version of our manuscript and we are glad to read that s/he feels the paper has improved a lot. Details on how the new comments were addressed are provided below.

Reviewer #2 said:

I find the paper has improved a lot and I am glad that my comments were useful. I am in favor of publication, but still have a few points that could be addressed for the final version.

* Definitions: Such an overview paper can also contribute to definitional clarity on the issue, for instance by discussing this aspect in a separate section. The paper now dedicates a paragraph on p.2/3 to explaining "urban ecosystem services" (including "ecosystem components" - I think very useful!) and "urban green (or ecological) infrastructure", and then uses the terms almost interchangeably but at times also side by side (p. 11, last line: "green infrastructure and ecosystem services"), thereby suggesting differences that are never clarified in detail. I personally prefer something along "services provided by urban ecosystem and their components" and would try to stick to one term as much as possible. Intuitively, "green infrastructure" to me seems to relate to public sector urban planning activities, but "urban ecosystems" can also include forest or river/lake areas close to or within the city boundaries that have existed for centuries, or natural areas in private gardens that are not subject to public urban planning. Again, perhaps this could be clarified better and then used more stringent throughout the text.

Authors' response:

We did not intend to present urban 'green infrastructure' and 'ecosystem services' as interchangeable concepts, as –from an ecosystem services perspective- the former represent 'stocks' while the latter represent 'flows', but we realize that our phrasing was probably not be sufficiently clear and we therefore rephrased those passages that could create confusion. The distinction between 'urban ecosystems' and green infrastructure' is more subtle. As noted by Reviewer#2, the latter concept is more directly linked to the public policy discourse whereas the former may be seen as a broader concept in the sense that it also may include eg. natural areas in private gardens. This conceptual distinction has been clarified in the revised version. We do now stick to the concept urban ecosystems and use the concept green infrastructure only in those passages where ecosystem services are discussed explicitly in the context of public policy and planning. The revised passages read as follows (for the distinction between urban ecosystems and green infrastructure see especially the last paragraph):

"The range of our inquiry is restricted to 'urban ecosystem services', defined here as those provided by urban ecosystems and their components. Urban ecosystems are those where the built infrastructure covers a large proportion of the land surface, or those in which people live at high densities (Picket et al., 2001). They include all 'green and blue spaces' in urban areas, including parks, cemeteries, yards and gardens, urban allotments, urban forests, wetlands, rivers, lakes, and ponds. Definitions of urban areas and their boundaries vary between countries and regions, depending on land use type, total population, population density, distance between dwellings, and % employment outside the primary sector. Given that many ecological fluxes and interactions extend well beyond the urban boundaries defined by political or biophysical reasons, urban ecosystems are defined here in the broader sense that comprise the hinterlands directly managed or affected by the energy and material flows from the urban core and suburban lands, including city catchments, and peri-urban forests and cultivated fields (see Picket et al. 2001, p. 129). Because in the urban context 'ecosystems' are by definition highly modified and fragmented, our analysis is not restricted to ecosystems as such, but also includes specific ecosystem components involved in the delivery of services such as individual trees, water surfaces, and soil surfaces (Nowak and Crane, 2002).

In public policy discourse, urban ecosystems are often portrayed as 'green infrastructure' (EEA, 2011; DG Environment, 2012). This metaphor captures the role that water and vegetation in or near the built environment play in delivering ecosystem services at different spatial scales (building, street, neighborhood, region). Urban ecosystems may be seen as a broader concept in the sense that they can also include community-driven forest or river/lake areas close or within the city boundaries as well as private gardens not directly subjected to public urban planning."

Reviewer #2 said:

* p.3 (line 1): should be "define urban ecosystems as those"

Authors' response: Done

Reviewer #2 said:

* p.4, upper part: It is true that nature tourism may attract people to cities that are close to protected area or sceneries. But in that case the ecosystem that generates the service (e.g. of the protected area) is in fact outside city boundaries, so not the type of ES that you look at in this paper. In the other hand, however, park areas in the city may be part of the portfolio of attractions that are valued by city tourists. Think of NY Central Park or the "Englischer Garten" in Munich - those provide tourism services, though probably "nature tourism" is not the right term.

Authors' response:

We like the suggested alternative. We removed the sentence referring to protected areas and rephrased is following the suggestion by the referee. The revised passage reads as follows:

"Similarly, while urban green areas will generally play a secondary role in tourism, emblematic city parks can be an important part of the portfolio of attractions valued by city tourists (eg. the Central Park in New York)"

Reviewer #2 said:

* p.4 and following pages on ES classes: Very useful classification! I was missing one ecosystem service and disservice component: urban animals. People like to see birds, butterflies, perhaps even rabbits in the park, but on the other hand they do not like the mosquitoes or wasps in the house or balcony, and many have disgust or even fear for spiders and rats.

Authors' response:

This is always a problematic issue in ecosystem services classifications. In the first version of the manuscript we included biodiversity refugee in the classification but then Reviewer#1 suggested we should remove it -on the grounds that it creates double counting problems. Since the Guest Editor also suggests including it, we decided to follow the criteria of Reviewer#2 and we brought it back to our classification, and added a new class of service called 'Animal sighting' (subsection 2.11). The new passage reads as follows:

"In some urban ecosystems biodiversity can be surprisingly high, and often include large numbers of birds (Melles et al., 2003), butterflies (Blair and Launer, 1997), amphibians (Beebee, 1979), and other species that many urban inhabitants like to see in streets, parks, and gardens. Diversity may peak at intermediate levels of urbanization, at which many native and nonnative species thrive, but it typically declines as urbanization intensifies (Blair, 1996)."

Besides this, we followed the reviewers' suggestion whereby some animals be also be perceived as a nuisance. In the subsection addressing disservices, we included the following paragraph:

"[...] Likewise, just as some plants and animals are perceived by people as services, as discussed above, animals such as rats, wasps and mosquitoes, and plants such as stinging nettles, are perceived by many as disservices."

Table 1 (classification of ecosystem services) and Table 2 (classification of ecosystem disservices) were also modified accordingly.

Reviewer #2 said: * p.12, 2nd para: Is "In Cuba urban" correct?

Authors' response:

There was a mistake here. The passage has been rephrased as follows:

"In Cuba, for example, urban agriculture increased greatly emerged in response to the decline of Soviet aid and trade and the persistence of the trade embargo, playing a major role in food security"

Reviewer #2 said:

* p.8., Section 3 on the classification of ES values: You write "In this research, we broaden the traditional focus.". I am not sure you really "broaden" something in the sense of a novel approach. Looking at MA and TEEB for instance, all these value dimensions are in there already. To me you provide a classification of values that seems useful for your purpose. And then, for instance insurance values can fit very well within "economic values", and even cultural values can to some extent be "economized" (as e.g., in TEEB) when economic value is defined rather broadly as "enhancement of well-being". Perhaps you can add a sentence on the non-uniqueness and conceptual difficulties of classification approaches.

Authors' response:

We agree with this observation and have modified this passage accordingly. We removed the sentence commented by the author and developed a paragraph to reflect the conceptual difficulties of classification approaches. The added paragraph reads as follows:

"Classifications of ecosystem service values can vary greatly depending on the axiological, ontological, and epistemological positions adopted at the outset (Gómez.Baggethun and de Groot, 2010; TEEB, 2010). Here we endorse a 'value pluralism' perspective, which maintains that valuation processes in social-ecological systems involve dealing with multiple and often conflicting valuation languages, whereby values may be combined to inform decisions but may not be reduced to single metrics (Martínez-Alier et al., 1998; Chan et al. 2012). Consequently, we analyze economic, socio-cultural, and insurance values of urban ecosystem services as distinct value dimensions. Defining conditions and contexts where different values may (or may not) be compressed into single units, and defining epistemological boundaries within which different valuation approaches can be consistently combined are critical tasks for the ecological economics research agenda (Douai, 2009; Spash, 2012) but goes beyond the scope of this paper. Below, we examine how different values of ecosystem services provided in urban areas may be captured and measured, and how they can be used to inform land use planning in cities."

Reviewer #2 said:

* Table 4: Very nice table, just the text right now is perhaps a bit too small. I find that the table might have deserved a few more sentences in the text, to underline its contribution - but OK as it is. Intuitively, I would have ordered the columns exactly the opposite way, starting with urban planning issue, role of econ valuation, etc. - perhaps you can consider that.

Authors' response:

We reversed table 4 as suggested by Reviewer#2 and we increased text size as far as possible. An additional clarification passage was also added that reads as follows:

"In Table 4 we show valuation methods that have been and potentially could be applied to urban planning issues at the different scales. A few broad conclusions can be drawn from the literature. This applies particularly to production function and damage function approaches. Stated preference methods are potentially applicable at all scales, although their main use has been at regional scale. Travel cost methods application seems limited by the large number of substitute sites for and alternative modes of travel to urban recreation sites. All valuation methods are challenged by the costs of conducting representative, large scale, high spatial resolution studies in urban settings."

Reviewer #2 said:

* Figure 1: Something went wrong here, it is labeled "Table 4" and the "note" and "source" seem to belong to the true Table 4. I also do not find the Figure easy to understand and some aspects of it (e.g., Recognizing, demonstrating, capturing value) are not explained in the text and tend to confuse. Can you simplify the figure?

Congratulations to a nice paper!

Authors' response:

Yes there was a mistake in the footnote that has now been corrected. We also simplified Figure 1, and added some text explanation as requested. The revised paragraph reads as follows:

"Economic valuation of ecosystem services increases in cost with increases in the spatial scale and resolution at which biophysical quantification is required, and with the policy requirements for accuracy and reliability. The demands on accuracy and reliability of valuation methods increase successively when moving from a policy setting requiring simply awareness raising (e.g. regarding costs of ecosystem service loss); to including green infrastructure in accounting of a municipal assets; to priority-setting (e.g. for location of new neighborhoods); to instrument design (e.g. user fees to finance public utilities; or finally to calculation of claims for damage compensation in a litigation (e.g. sitting of locally undesirable land-uses (LULUs))"

Highlights:

- Urban ecosystems provide multiple ecosystem services for human well-being and can increase resilience to shocks in cities
- Loss of urban ecosystems in cities involve long-term economic and insurance costs and cann affect a diversity of social and cultural values
- Rigorous valuation exercises should not only take into account benefits from ecosystem services but also costs from ecosystem disservices.
- Economic and non-economic values of urban ecosystem services should be accounted for and consistently integrated in urban decision-making and planning.

Manuscript title:

Classifying and valuing ecosystem services for urban planning

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Classifying and valuing ecosystem services for urban planning

We synthesize state of the art knowledge to classify and value ecosystem services for urban planning as a tool to promote heath, quality of life, and resilience in cities. First, we categorize important ecosystem services and disservices in urban areas. Second, we identify economic, socio-cultural, and insurance costs associated to the loss of urban ecosystem services. Finally, we define ways in which ecosystem services valuation can inform urban planning and we indentify challenges to valuation in the context of high heterogeneity and fragmentation in urban ecosystems. We show that urban ecosystems services have the capacity to significantly enhance resilience and quality of life in cities and we show that their loss can involve long-term economic and insurance costs, as well as the erosion of a variety of social and cultural values. We conclude by identifying knowledge gaps and challenges for the research agenda.

Keywords: cities; urban ecosystems, ecosystem services; ecosystem disservices; resilience; accounting, valuation, green infrastructure; urban planning

1. Introduction

More than half of the world's population lives in cities (Dye, 2008) and more than two thirds are expected to live in cities by 2050 (UN, 2010). Concentration of population in cityscapes dominated by technology and built infrastructure has fostered the conception of an urban society that is increasingly decoupled and independent from ecosystems (Ausubel, 1996). However, demands on natural capital and ecosystems services keep increasing steadily in our urbanized planet (Ayres and van den Bergh, 2005; Krausmann et al., 2009; Guo et al., 2010). Furthermore, extensive research has shown that decoupling of cities from ecological systems can only occur locally and partially, thanks to the appropriation of vast areas of ecosystem services provision beyond the city boundaries (Rees, 1992; Rees and Wackernagel, 1996; Folke et al., 1997). Just as any other social-ecological system, cities depend on ecosystems and their components to sustain long-term conditions for life (Odum, 1989), health (Maas et al., 2006; Tzoulas et al., 2007), security (Dixon et al., 2006; Costanza et al., 2006a), good social relations (EEA, 2011) and other important aspects of human well-being (TEEB-cities, 2011).

Urban ecosystems are still an open frontier in ecosystem service research. Since the seminal article by Bolund and Hunhammar (1999) was published in this journal, a mounting body of literature has strived to advance our understanding of urban ecosystem services in their biophysical (Pataki et al., 2011; Escobedo et al., 2011), economic (Jim and Chen, 2009; Sander et al., 2010), and socio-cultural dimensions (Chiesura, 2004; Andersson et al., 2007; Barthel et al., 2010). Ecosystem services provided in urban areas were addressed by major initiatives like the Millennium Ecosystem Assessment (MA, 2005: chapter 27) and The Economics of Ecosystem and Biodiversity (TEEB-cities, 2011), and also have received increasing attention as part of the policy debate on green infrastructure (DG Environment, 2012). Yet, as compared to other ecosystems like wetlands or forests, the attention given to urban ecosystems is relatively modest. Most studies on the topic have focused on single ecosystem services and/or value dimensions. For example, whereas monetary values have been broadly examined in the literature, description and measurement of symbolic, cultural, identity and other non-economic

values remain largely unexplored (Chan et al., 2012). This is also the case for the 'insurance value' stemming from the contribution of urban ecosystems and green infrastructure to the resilience of cities. To our knowledge there is also little understanding of the additional challenges to the valuation in urban ecosystems, characterized by high complexity, heterogeneity, and fragmentation (Picket et al., 2001).

In an attempt to address these knowledge gaps, this paper draws on recent developments in ecosystems service research to synthesize state knowledge to classify and value ecosystem services for urban planning. Specifically, we i) categorize the most relevant ecosystem services and disservices provided in urban and periurban areas, ii) identify the range of economic and non-economic values associated to urban ecosystem services, and iii) examine challenges in measuring and articulating ecosystem service values in urban planning.

Ecosystem services are defined as benefits that humans obtain from ecosystem functions (de Groot et al., 2002; MA, 2005), or as direct and indirect contributions from ecosystems to human well-being (TEEB, 2010). The range of our inquiry is restricted to 'urban ecosystem services', defined here as those provided by urban ecosystems and their components. Urban ecosystems are those where the built infrastructure covers a large proportion of the land surface, or those in which people live at high densities (Picket et al., 2001). They include all 'green and blue spaces' in urban areas, including parks, cemeteries, yards and gardens, urban allotments, urban forests, wetlands, rivers, lakes, and ponds. Definitions of urban areas and their boundaries vary between countries and regions, depending on land use type, total population, population density, distance between dwellings, and percentage employment outside the primary sector. Given that many ecological fluxes and interactions extend well beyond the urban boundaries defined by political or biophysical reasons, urban ecosystems are defined here in the broader sense that comprises the hinterlands directly managed or affected by the energy and material flows from the urban core and suburban lands, including city catchments, and peri-urban forests and cultivated fields (see Picket et al., 2001, p. 129). Because in the urban context 'ecosystems' are by definition

highly modified and fragmented, our analysis is not restricted to ecosystems as such, but also includes specific ecosystem components involved in the delivery of services such as individual trees, water surfaces, and soil surfaces (Nowak and Crane, 2002).

In public policy discourse, urban ecosystems are often portrayed as 'green infrastructure' (EEA, 2011; DG Environment, 2012). This metaphor captures the role that water and vegetation in or near the built environment play in delivering ecosystem services at different spatial scales (building, street, neighborhood, region). Urban ecosystems may be seen as a broader concept in the sense that they can also include community-driven forest or river/lake areas close or within the city boundaries as well as private gardens not directly subjected to public urban planning.

The paper is structured in four main sections. Section 2 classifies and describes ecosystem services and disservices provided in urban areas. Section three 3 the range of economic and non-economic values associated to ecosystem services provided in urban areas and identifies methods and tools by which such values may be elicited and quantified. Section 4 discusses the scope and limits of valuation methods in urban planning and identifies additional challenges for valuation in urban ecosystems. Section 5 synthesizes our main findings and points out priorities for the research agenda in urban ecosystem assessments.

2. Classifying ecosystem services provided in urban areas

Building on previous categorizations of ecosystem services (Daily, 1997; de Groot et al., 2002; MA, 2005) the TEEB report identifies 22 types of ecosystem services grouped in four categories: provisioning, regulating, habitat, and cultural and amenity services (TEEB, 2010). Because different habitats provide different types of ecosystem services, general classifications need to be adapted to specific types of ecosystems (MA, 2005). For example, if agroecosystems are critical for food production, wetlands for nutrient cycling, and forests for carbon sequestration, urban ecosystems are especially important in providing services with direct impact on health and security such as air purification, noise reduction, urban cooling, and runoff

mitigation (Bolund and Hunhammar, 1999). Which ecosystem services in a given city are most relevant varies greatly depending on the environmental and socio-economic characteristics of each site. For example, natural barriers to buffer environmental extremes are critical for cities located in or close to coastal areas (e.g. New Orleans); air quality regulation can be of significant in cities severely polluted due for instance to topography of heat inversions (e.g. Santiago de Chile), but may be of secondary importance in cities where atmospheric pollution is favored by topography, as well as policy (e.g. Helsinki). Similarly, while urban green areas will generally play a secondary role in tourism, emblematic city parks can be an important part of the portfolio of attractions valued by city tourists (e.g. the Central Park in New York). A classification of ecosystem functions and services in urban areas with examples of proxies and indicators for biophysical measurement is provided in Table 1. For a comprehensive framework for urban ecosystem services indicators see Dobbs et al. (2011).

[INSERT TABLE 1 ABOUT HERE]

2.1. Food supply

Urban farming takes place in peri-urban fields, rooftops, backyards, and in community vegetable and fruit gardens (Andersson et al., 2007). In general, cities only produce a small share of the total amount of food they consume. However 'for many of today's urban dwellers, urban agriculture provides an important source of food and supplementary income' (MA, 2005: 810). Urban allotments can also play a critical role in food security and resilience, especially in periods of crises (Barthel et al., 2010; Barthel and Isendahl, this issue). For example, Altieri et al. (1999) estimated that, in 1996, food production in urban gardens of Havana included 8,500 tons of agricultural products, 7.5 million eggs and 3,650 tons of meat.

2.2. Water flow regulation and runoff mitigation

Ecosystems play a fundamental role in providing cities with fresh water for drinking and other human uses and by securing storage and controlled release of water flows. Vegetation cover and forests in the city catchment influences the quantity of available water (Higgens et al., 1997). Increasing the impermeable surface area in cities reduces the capacity of water to percolate in soils, increasing the volume of surface water runoff and thus increasing the vulnerability to water flooding (Villareal and Bengtsson, 2005). Interception of rainfall by tree canopies slows down flooding effects and green pavements/soft lanes reduce the pressure on urban drainage systems by percolating water (Bolund and Hunhammar, 1999; Pataky et al., 2011).

2.3 Urban cooling

The so-called 'urban heat island effect' consists of local rises in the temperature of city areas caused by greenhouse gas emission from heating and traffic in combination with heat absorption by built surfaces (Moreno-García, 1994). Urban blue and green space regulates local temperatures (Hardin and Jensen, 2007). Water areas absorb heat in summer time and release it in winter (Chaparro and Terradas 2009) and vegetation absorbs heat from the air through evapotranspiration, particularly when humidity is low (Hardin and Jensen, 2007). Urban trees moderate local temperatures by providing humidity and shade (Bolund and Hunhammar, 1999).

2.4. Noise reduction

Traffic, construction and other human activities make noise a major pollution problem in cities, affecting health through physiological and psychological damages. Urban soil and plants and trees can attenuate noise pollution through absorption, deviation, reflection, and refraction of sound waves (Aylor, 1972; Kragh, 1981; Ishii, 1994; Fand and Ling, 2003). In belt trees, for example, the sound waves are reflected and refracted, dispersing the sound energy through the branches and trees (Chaparro and Terradas, 2009).

2.5. Air purification

Air pollution from transport, industry, domestic heating, and waste incineration is responsible for increases in respiratory and cardiovascular diseases in cities (Sunyer et al., 2002). Vegetation in urban areas improves air quality by removing pollutants from the atmosphere, including ozone (O_3), sulfur dioxide (SO_2), nitrogen dioxide (NO_2), carbon monoxide (CO), and particulate matter less than 10µm (PM_{10}) (Nowak, 1994a; Escobedo et al., 2008). Removal of pollutants operates through filtration of particulates through the leaves of trees and shrubs (Nowak, 1996). Removal rates follow both daily and seasonal variation; during the night the stomas are closed and do not absorb pollutants; deciduous forest shed leaves during the winter.

2.6. Moderation of environmental extremes

Ecosystems such as mangroves act as natural barriers that buffer cities from extreme climate events and hazards, including storms, waves, floods, hurricanes, and tsunamis (Farber, 1987; Danielsen et al., 2005; Costanza et al., 2006a; Kerr and Baird, 2007). Vegetation stabilizes the ground reducing the likelihood of landslides. Likewise, as discussed above, cooling effects by urban vegetation can buffer the impact of heat waves in cities (Hardin and Jensen, 2007).

2.7. Waste treatment

Ecosystems filter out, retain and decompose nutrients and organic wastes for urban effluents by storing and recycling waste through dilution, assimilation and chemical re-composition (TEEB-cities, 2011). Ponds, for example, filter wastes from human activities reducing the level of pollution in urban waste water (Karathanasis et al., 2003), and urban streams retain and fix nutrients from organic waste (Grom et al., 2005). Plant communities in urban soils can play an important role in the decomposition of many labile and recalcitrant litter types (Vauramo and Setälä, 2011).

2.8. Climate regulation

Emissions of greenhouse gases in cities include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (NO_2), chlorofluorocarbons, and tropospheric ozone (O_3). Urban trees act as a sinks of CO_2 by storing excess carbon as biomass during photosynthesis (Birdsey, 1992; Nowak, 1994b; Jo and McPherson, 1995; McPherson, 1998; McPherson and Simpson, 1999). The amount of CO_2 stored is proportional to the biomass of the trees (Chaparro and Terradas, 2009).

2.9. Pollination and seed dispersal

Urban ecosystems are heterogeneous patchy mosaics of habitats where biodiversity in specific taxonomic groups can be surprisingly high (McKinney, 2008; Muller et al., 2010). For example, urban systems host important populations of birds (Melles et al., 2003), and bees (Saure, 1996; Tommasi et al., 2004), thereby maintaining processes of pollination and seed dispersal. Research has shown that management practices of biodiversity in allotment gardens, cemeteries, and city parks promote functional groups of insects and birds, also enhancing pollination and seed dispersal (Andersson et al., 2007).

2.10. Recreation and cognitive development

People often choose where to spend their leisure time based on the characteristics of the natural landscapes in a particular area (Chiesura, 2004; Kaplan, 1983; Kaplan and Kaplan, 1989). Green spaces in urban areas provide multiple opportunities for physical exercise, improved mental health, and cognitive development. For example, allotment gardens are often used for environmental education (Groening, 1995; Tyrväinen et al., 2005), and important bodies of local ecological knowledge have been documented in cities (Andersson et al., 2007; Barthel et al., 2010). Because urban inhabitants develop affective links to the ecological sites of their cities, urban ecosystems also play an important role in sense of place (Altman and Low, 1992).

2.11. Animal sighting

In some urban ecosystems biodiversity can be surprisingly high, and often include large numbers of birds (Melles et al., 2003), butterflies (Blair and Launer, 1997), amphibians (Beebee, 1979), and other species that many urban inhabitants like to see in streets, parks, and gardens. Diversity may peak at intermediate levels of urbanization, at which many native and nonnative species thrive, but it typically declines as urbanization intensifies (Blair, 1996).

2.12. Ecosystem disservices

Urban ecosystems do not only produce ecosystem services, but also ecosystem disservices. Ecosystem disservices have been defined as 'functions of ecosystems that are perceived as negative for human well-being' (Lyytimäki and Sipilä, 2009, p. 311). For example, some common city tree and bush species emit volatile organic compounds (VOCs) such as isoprene, monoterpenes, ethane, propene, butane, acetaldehyde, formaldehyde, acetic acid and formic acid, all of which can indirectly contribute to urban smog and ozone problems through CO and O₃ emissions (Geron, 1994; Chaparro and Terradas, 2009). Other examples are damages to physical infrastructures by e.g. microbial activity decomposing wood constructions, corrosion of stone buildings and statues by bird excrements, breaking up of pavements by root systems, or animals digging nesting holes (de Stefano and Deblinger, 2005; Lyytimäki and Sipila, 2009).

Other important disservices from urban ecosystems include health problems from windpollinated plants causing allergic reactions (D'Amato, 2000), fear from dark green areas that are perceived as unsafe, especially by women in night-time (Bixler and Floyd, 1997; Koskela and Pain, 2000; Jorgensen and Anthopoulou, 2007), diseases transmitted by domestic animals (e.g. migratory birds carrying avian influenza, dogs carrying rabies), and blockage of views by trees (Lyytimäki et al., 2008). Likewise, just as some plants and animals are perceived by people as services, as discussed above, animals such as rats, wasps and mosquitoes, and plants such as stinging nettles, are perceived by many as disservices. A summary of disservices from urban ecosystem disservices is provided in Table 2.

[INSERT TABLE 2 ABOUT HERE]

3. Valuing ecosystem services in urban areas

Classifications of ecosystem service values can vary greatly depending on the axiological, ontological, and epistemological positions adopted at the outset (Gómez-Baggethun and de Groot, 2010; TEEB, 2010). Here we endorse a 'value pluralism' perspective, which maintains that valuation processes in social-ecological systems involve dealing with multiple and often

conflicting valuation languages, whereby values may be combined to inform decisions but may not be reduced to single metrics (Martínez-Alier et al., 1998; Chan et al., 2012). Consequently, we analyze economic, socio-cultural, and insurance values of urban ecosystem services as distinct value dimensions. Defining conditions and contexts where different values may (or may not) be compressed into single units, and defining epistemological boundaries within which different valuation approaches can be consistently combined, are critical tasks for the ecological economics research agenda (Douai, 2009; Spash, 2012), but they are beyond the scope of this paper. Below, we examine how different values of ecosystem services provided in urban areas may be captured and measured, and how they can be used to inform land use planning in cities.

3.1 Economic values

Loss of ecosystem services in urban areas often involves economic costs in one form or another (TEEB, 2010; Boyer and Polasky, 2004; Tyrväinen et al., 2005; EEA, 2011; Escobedo et al., 2011). Avoided cost methods, for example, show that loss of urban vegetation leads to increased energy costs in cooling in the summer season (McPherson et al., 1997; Chaparro and Terradas, 2009). Likewise, loss of water regulation services from land-use change in the city catchments demands the construction of costly water purification plants (Daly and Ellison, 2002).

Additional economic costs also arise from health problems related to loss of ecosystem services like air purification (McPherson et al., 1997; Nowak and Crane, 2002; Escobedo and Nowak 2009), noise reduction by vegetation walls (Bolund and Hunhammar, 1999), carbon sequestration by urban trees (McPherson et al., 1999; Jim and Chen, 2009), buffering of climate extremes by vegetation barriers (Costanza et al., 2006a), and water flow regulation (Xiao et al., 1998). It should be also noted, however, that when playing the game of economic values, serious economic analysis should not only take into account benefits from ecosystem services, but also the economic costs from ecosystem disservices.

Yet, because at the margin ecosystem services can be largely substituted by economic services from built infrastructure and because traditional economic accounts neglect the costs of replacing ecosystems services once they are lost or degraded, costs from ecosystem service decline are often overseen in municipal budgets and planning¹. The invisibility of these costs can result in incentives for undesirable conversion of urban ecosystems into built infrastructure, with associated loss of ecosystem services. Table 3 shows examples of economic measurement of urban ecosystems services values in both biophysical and pecunary terms.

[INSERT TABLE 3 ABOUT HERE]

Using combinations of valuation methods is necessary to address multiple ecosystem services (Boyer and Polasky, 2004; Costanza al., 2006b; Escobedo et al., 2011). Avoided expenditure or replacement costs are often used to address values of regulating services of trees such as air purification and climate regulation (Sander et al., 2010). However, meta-analyses conducted by other authors, show that hedonic pricing (HP) and stated preference methods (SP), in particular contingent valuation, have been the methods most frequently used to value ecosystem services in cities (Boyer and Polasky, 2004; Tyrväinen et al., 2005; Costanza et al., 2006b; Kroll and Cray, 2010; Sander et al., 2010; Brander and Koetse, 2011). A wide array of ecosystem service benefits have been valued using hedonic pricing, including recreational and amenity benefits (Tyrvänien, 2000); views and aesthetic benefits (Anderson and Cordell, 1985; Sander and Polasky, 2009); noise reduction (McMillan et al., 1980; Day et al., 2003; Kim et al., 2007); air quality (Chattopadhyay, 1999; Bible et al., 2002; Bayer et al., 2009; Smith and Huang, 1995), and water quality (Legget and Bokstael, 2000). Kroll and Cray's (2010) review of property features valued in hedonic pricing studies showed that mainly property features at

¹ The 'blindness' of traditional economic accounts to the costs of ecosystem service loss has been used to make a case for the internalization of ecosystem services in markets. In the view of the authors this response to the problem is in most cases misleading (see e.g. Gómez-Baggethun et al., 2010; Gómez-Baggethun and Ruiz-Pérez, 2011). What the underestimation of ecosystem services reveals is not a 'zero price problem', but the way some 'value articulating institutions' allocate little or no weight to particular value types in decision-making and planning.

neighborhood scales had been assessed (open space, open space vegetation & trees, water & wetlands), whereas features at regional scales (property rights), streetscape (pavement type, temperature) and building level (energy efficiency, roofing type) were less common. In Table 4 we show valuation methods that have been and potentially could be applied to urban planning issues at the different scales. A few broad conclusions can be drawn from the literature. Stated preference methods are potentially applicable at all scales, although their main use has been at regional scale. Travel cost methods application seems limited by the large number of substitute sites for and alternative modes of travel to urban recreation sites. All valuation methods are challenged by the costs of conducting representative, large scale, high spatial resolution studies in urban settings. This applies particularly to production function and damage function approaches. Methodological challenges to applying monetary valuation methods in urban settings at different scales are further discussed in section 4.2.

[INSERT TABLE 4 ABOUT HERE]

3.2. Social and cultural values

People hold moral, spiritual, educational, aesthetic, place-based, and other values towards the urban environment, all of which can affect their attitudes and actions toward ecosystems and the services they provide (MA, 2005). These values reflect emotional, affective, and symbolic views attached to urban nature that in most cases cannot be adequately captured by commodity metaphors or monetary metrics (Martínez-Alier et al., 1998; Norton and Hannon, 1997).

Social and cultural values are most directly associated to the category of cultural ecosystem services, and may include place values, sense of community and identity, physical and mental health, social cohesion, and educational values (Chiesura, 2004; Chan et al., 2012). Sense of place emerges from the emotional and affective bonds between people and ecological sites (Altman and Low, 1992; Feldman, 1990; Williams et al., 1992, Norton and Hannon, 1997); place attachment is a source of social cohesion, shared interests, and neighborhood participation

(Bennett, 1997; Gotham and Brumley, 2002); sense of community relates to the feelings towards a group and strength of attachment to communities (Doolittle and McDonald, 1978; Chavis and Pretty, 1999). In many places, ecosystems and biodiversity are deeply intertwined with spiritual values (Stokols, 1990), but we would expect spiritual values associated with urban ecosystems to be less prevalent, in the sense that in the urban context they are often substituted by spiritual values for religious buildings and monuments, rather than natural features.

Social and cultural values may be difficult to capture and measure, often demanding the use of qualitative assessments, constructed scales, or narrations (Patton, 2002; Chan et al., 2012). In some cases scientists have developed methods to quantify some cultural values such as sense of place (Williams and Roggenbuck, 1989; Shamai, 1991) and traditional ecological knowledge (Gómez-Baggethun et al., 2010) making use of scores and constructed scales. In other cases translating cultural values into quantitative metrics may be too difficult or simply senseless. Most often, elicitation of social and cultural values in urban areas may require some sort of deliberative process and the use of locally defined metrics, values, and guiding principles.

Articulation of social and cultural values into decision-making processes can be particularly challenging in urban areas because of the very high cultural and social heterogeneity. For this reason, we would also expect values of sense of place, community, and social cohesion to be more diverse in urban settings vis a vis rural and wild areas.

3.3. Insurance value

With increased intensity and frequency of environment extremes affecting urban areas as a consequence of climate change (Meehl and Tebaldi, 2004), ecosystem services can play a major role in increasing resilience and adaptive capacity in cities. The contribution of ecosystem services to increase resilience to shocks has been referred to as a form of 'insurance value'.

13

At the outset it should be recognized that urban areas have surpassed many local ecosystem thresholds of the pre-urban natural and agricultural landscape. Critical ecosystem services to the resilience of cities nevertheless include urban cooling, water supply, runoff mitigation, and food production. For example, as discussed above, urban vegetation reduces surface runoff and binds soil following storm events by intercepting water through leaves and stems, thereby reducing the likelihood of damages by flooding and landslides. Likewise, with more intense frequent and longer lasting heat waves affecting cities worldwide, cooling by urban ecosystems becomes an increasingly important buffer to health impacts (Lafortezza et al., 2009).

In some geographical areas and socio-economic contexts, food production in urban allotments can play a critical role in increasing resilience to shocks and food security, especially in times of crisis (Smit and Nasr, 1992; Moskow, 1999; Page, 2002; MA, 2005; UNEP, 2006). In Cuba, for example, urban agriculture increased greatly in response to the decline of Soviet aid and trade, and the persistence of the trade embargo, playing a major role in food security (Altieri, 1999; Moskow, 1999). Likewise, urban agriculture has provided an important safety net for landless peoples in sub-Saharan Africa (Maxwell, 1999). Finally, recent contributions have noted the role of urban ecosystems in maintaining living bodies of local ecological knowledge (Andersson et al., 2007), as well as the importance of this knowledge for maintaining long-term resilience to shocks (Barthel et al., 2010; Gómez-Baggethun et al., 2012). Social movements associated to urban allotments are now emerging in Europe. This phenomenon gains special interest in the context on the economic crises and related uncertainties (Barthel and Isendahl, 2012 - this issue).

Because changes caused by environmental or socio-economic shocks can be irreversible or costly to reverse, insurance value can also be seen as embedding an economic value (Walker et al., 2010). Yet, available knowledge to value resilience in monetary metrics is limited (Pascual et al., 2010) and in specific circumpstances can even be misleading (Limburg et al., 2002). When systems are close to ecological thresholds, small changes can trigger abrupt shifts in

ecosystem service supply (Scheffer et al., 2001; Walker and Mayers, 2004), and thus ecosystem service values can change drastically and in a non-linear way. For example, value may increase exponentially as possibilities for substitution are lost as a consequence of crises. This may be the case of food supply by urban allotments. Under normal circumstances the economic importance of this service is small, but if conventional chains of food supply collapse during crises, market substitutes can become very expensive and allotments can make non negligible contributions to meet basic nutritional requirements (Barthel et al., 2010). However, urban food supply systems in general are vulnerable unless peri-urban areas can take on such a role.

4. Valuation and urban planning

4.1. Informing urban planning through ecosystem services valuation

Decision contexts in which valuation of ecosystem services can inform urban planning include awareness raising, economic accounting, priority-setting, incentive design, and litigation (TEEB, 2010; Barton et al., 2012) (Figure 1).

[INSERT FIGURE 1 ABOUT HERE]

Economic valuation of ecosystem services increases in cost with increases in the spatial scale and resolution at which biophysical quantification is required, and with the policy requirements for accuracy and reliability. The demands on accuracy and reliability of valuation methods increase successively when moving from a policy setting requiring simply awareness raising (e.g. regarding costs of ecosystem service loss); to including green infrastructure in accounting of a municipal assets; to priority-setting (e.g. for location of new neighborhoods); to instrument design (e.g. user fees to finance public utilities; or finally to calculation of claims for damage compensation in a litigation (e.g. sitting of locally undesirable land-uses (LULUs)).

Valuation studies in urban areas for any given decision-support context are more demanding because of requirements for higher spatial resolution and multiple scales of analysis in sampling

particular assets at specific locations within heterogeneous urban landscapes. For example, a valuation study calculating damage compensation due to nuisances from the location of an airport, requires high data reliability (a regional scale sample) as well as a high level of accuracy to calculate e.g. noise nuisance reduction measures due to vegetation at building level resolution. Figure 1 suggests that this is one of the costly valuation contexts.

4.2 Challenges to ecosystem services valuation in urban planning

High heterogeneity in urban areas poses additional challenges that go beyond the generic tradeoffs between scale, resolution, and accuracy which are common to all valuations. Below, we identify some of these challenges.

(i) *Population density*. Combined scarcity of urban ecosystems and high density of beneficiaries lead to increased willingness to pay for ecosystem services protection. Brander and Koetse (2011) found a significant positive effect of population density per square km in the region where the studies were conducted, both for contingent valuation and hedonic pricing studies. In a meta-analysis of wetland valuation studies worldwide Brander et al. (2010) found a positive effect of population density within a 50 km radius of wetlands on willingness to pay.

(ii) *Non-linear distance decay of willingness to pay*. In urban settings, non-linear effects may also be extremely local depending on residents' perception of their neighbourhood. Sander et al. (2010) observed an increase and then decline in the effect of tree cover on property values up to and then beyond 250 meters in a hedonic pricing study in Minnesota. Hedonic pricing studies have also found housing markets and the value of ecological infrastructure derived from these studies to be very segmented (Costanza et al., 2006b).

(iii) *Recreational substitution possibilities*. Larger substitution possibilities generally reduce the value of the asset in question. Willingness to pay for lake and river quality in peri-urban areas in the United Kingdom, Belgium, Lithuania, Denmark, and Norway have found significant

positive effect of the distance to the nearest substitute wetland site on willingness to pay for ones respondents' favorite wetland site (Bateman et al., 2011). Valuation of ecological infrastructure in urban areas must also account for substitutes being differentiated by more alternative modes of transport than in rural settings.

(iv) *Substitution possibilities between ecosystem services and man-made services*. In densely populated urban areas space is scarce and technologies that provide municipal services in a compact way are often more cost-effective than maintaining or restoring extensive natural systems. The extent to which ecosystem regulating functions can be substituted for man-made technical processes, depends largely on health and safety standards and legislation (Barton et al., 2012).

(v) *Heterogeneity of inhabitant spatial 'perspectives'*. Higher density of population is expected to be associated with a larger number of perspectives, i.e., inhabitants literally experience more sides to the same urban ecosystems. For example, i) ecosystem services provided by urban green space are more likely to exhibit larger spatial variation because of larger fragmentation of vegetation and water bodies, (ii) multiple overlapping disservices such as air pollution and noise mitigated by urban ecosystems, and (iii) variation in densities and socio-demographics of populations (Tyrväinen, Pauleit et al., 2005; Escobedo et al., 2011).

(v) *Socio-economic and cultural diversity*. Housing markets in urban areas can be highly segmented and diversified (DCLG 2007) – socio-cultural diversity varies more over smaller spaces in urban areas with clustering of similar populations in specific neighborhoods or even streets. A rapidly growing segment of urban populations are ethnic minorities. While a few hedonic property pricing studies have controlled for significant effects on house prices from differences in the presence of ethnic minorities (Costanza et al., 2006), little is known about ethnic minorities preference for urban ecosystems (Tyrväinen et al., 2005). Urban green spaces are also likely to have a greater diversity of the age of inhabitants thanks to proximity. Different

generations, elderly and young, have different mobility and large difference in preferences for e.g. forest structure (Tyrväinen et al., 2005).

(vi) *Connectivity /infrastructure value*. Hedonic pricing and contingent valuation studies of green infrastructure have demonstrated the importance of distance and substitutes, but few studies have addressed the economic value of connectivity – the 'infrastructure value'. Studies in the UK have shown that urban parks have a minimum attractive size for visitors of about two hectares and that their attractiveness increases when linked with footpaths (Coles and Bussey, 2000; Tyrväinen et al., 2005). In another example, urban forests effect on heat islands from buildings is limited to 200-400 meters on the windward side, making a dense network of green spaces necessary to distribute heat mitigation services (Tyrväinen et al., 2005).

(vii) *Urban growth and time stability of values*. Rapid growth raises questions about timestability of valuation estimates. Trial-retrial studies of contingent valuation of flood control and wetland conservation have found willingness to pay estimates to be statistically similar over a period of five years (Brouwer and Bateman, 2005). Urban growth in many cities implies that population density, respondent heterogeneity, substitution options for ecosystem services, incomes, and the scarcity of space, change more rapidly than in rural areas and relative to the national average. These factors also shape the economic value of green infrastructure (Costanza et al., 2006b; Brander et al., 2010; Sander et al., 2010; Brander and Koetse, 2011).

(viii) *Multiple environmental stressors*. With multiple stressors in urban environments comes the difficulty of attribution to proximal and underlying causes. For example, air pollution can trigger pollen-related allergies that might otherwise be latent in a person (D'Amato, 2000). Is the welfare loss due to pollen attributed to the trees in the neighborhood, to the air pollution activities, or to the choice of allergy-disposed people to live in urban rather than rural areas? (i) *Spatial scale of benefit-cost analysis*. Ecosystem disservices can be especially important in urban contexts (Lyytimäki et al., 2008; Lyytimäki and Sipilä, 2009; Escobedo et al., 2011).

In some cities it is reasonable to expect that ecosystem <u>dis</u>services are mainly on-site due to congestion (e.g. allergies due to coincidental air pollution and pollen) and competition for habitat space with humans and built infrastructure (e.g. bird droppings, root damage to pavements). On the other hand, regulating ecosystem services are provided by off-site systems at neighborhood and regional scale. Where this spatial clustering of ecosystem services and disservices is present, a cost benefit analysis of excessively limited spatial scope would have a higher likelihood of showing that costs of green infrastructure exceed benefits.

5. Conclusions

We have synthesized concepts, methods, and tools to classify and value ecosystem services delivered by urban green infrastructure to support decision-making, eg. by reshaping municipal budgets and guiding land-use planning. Three main insights can be extracted from our review. First, in line with previous research on the topic, our research shows that there is growing evidence on the positive impacts of ecosystem services provided by urban green infrastructure on quality of life in cities. Regulating and cultural services, including air purification, noise reduction, urban cooling, runoff mitigation, recreation, and contributions to mental and physical heath, showed to be of special importance in urban contexts. Interestingly, even if urban ecosystems provide only a fraction of the total ecosystem services used in cities, high density of beneficiaries relative to existing green infrastructure implies that the social and economic value of services locally by urban ecosystems can be surprisingly high.

Second, loss of ecosystems in cities may involve high long-term economic costs and severe impacts on social, cultural, and insurance values associated to ecosystem services. Economic costs from the loss of urban ecosystems derive from the need to restore and maintain public services and supplies through built infrastructure as similar services provided by urban green infrastructure are lost. Further negative impacts derive from the effects in social and cultural values, including sense of place, identity and community, social cohesion, and local ecological knowledge. Loss of green infrastructure can also lead to decreases in resilience-related insurance values, increasing the vulnerability of cities to shocks such as heat waves, flooding events, storms, landslides, and even food crises. It should be noted, however, that urban ecosystems do not only provide ecosystem services but also disservices such as pollen causing allergies and breakup of pavements. Rigorous valuation exercises should not only take into account benefits from ecosystem services, but also costs from ecosystem disservices.

Finally, although our review revealed that evidence of the multiple values and benefits sustained by urban ecosystems is expanding rapidly, it also reveals knowledge asymmetries in our capacity to understand and capture specific types of values associated to urban ecosystem services. A relative abundance of biophysical and economic studies contrasts with the scarcity of studies addressing non-economic values, including social, cultural, and insurance values. Although formally recognized in the ecosystem services literature, these values are rarely addressed at the operational level and little has been said on how the ecosystem services approach may contribute to better incorporate non-economic values in urban planning. Research on urban ecosystem services should broaden its present focus on biophysical and economic measurement so as to better capture and articulate non-economic values in decision making and planning. A further challenge for the research and policy agenda concerns the way different and often irreducible values of urban ecosystem services can be combined and consistently integrated to support decision-making processes at municipality and metropolitan levels.

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Table 1-. Classification of important ecosystem services in urban areas and underlying ecosystem functions and components.

Functions and components	Ecosystem service	Examples	Examples of indicators / proxies	References
Energy conversion into edible	Food supply	Vegetables produced by urban allotments and	Production of food (tons yr-1)	Altieri, 1999
plants through photosynthesis		peri-urban areas		
Percolation and regulation of	Water flow regulation	Soil and vegetation absorb water and kinetic	Soil infiltration capacity; % sealed relative	Villareal and
runoff and river discharge	and erosion control	energy during heavy and/or prolonged	to permeable surface (ha)	Bengtsson, 2005
		precipitation events		
Photosynthesis, shading, and	Urban cooling	Tress and other urban vegetation provide	Leaf Area Index; Temperature decrease by	Bolund and
evapotranspiration		shade, create humidity and block wind	tree cover x m^2 of plot trees cover (°C)	Hunhammar 1999
Absorption of sound waves	Noise reduction	Absorption of sound waves by vegetation	Leaf area (m ²) and distance to roads (m);	Aylor, 1972; Ishii,
by vegetation and water		barriers, specially thick vegetation	noise reduction dB(A)/vegetation unit (m)	1994; Kragh 1981
Filtering and fixation of gases	Air purification	Removal and fixation of pollutants by urban	O_3 , SO_2 , NO_2 , CO , and $PM_{10} \mu m$ removal	Chaparro and
and particulate matter		vegetation in leaves, stems and roots	(tons yr-1) multiplied by tree cover (m^2)	Terradas, 1999
Physical barrier and	Moderation of	Storm, floods, and wave buffering by	Cover density of vegetation barriers	Danielsen et al.,
absorption on kinetic energy	environmental	vegetation barriers; heat absorption during	separating built areas from the sea	2005; Costanza et
	extremes	severe heat waves		al., 2006b
Removal or breakdown of	Waste treatment	Effluent filtering and nutrient fixation by	P, K, Mg and Ca in mgkg-1compared to	Vauramo and
xenic nutrients		urban wetlands	given soil/water quality standards	Setälä, 2011

Carbon sequestration and	Climate regulation	Carbon sequestration and fixation by the	CO ₂ sequestration by trees (carbon	Nowak, 1994b;
fixation in photosynthesis		biomass of urban shrubs and threes	multiplied by 3.67 to convert to CO_2)	McPherson 1998
Movement of floral gametes	Pollination and seed	Urban ecosystem provided habitat for birds,	Species diversity and abundance of birds	Andersson et al.
by biota	dispersal	insects, and pollinators	and bumble bees	2007
Ecosystems with recreational	Recreation and	Urban parks provide multiple opportunities for	Surface of green public spaces (ha)	Chiesura 2004
and educational values	cognitive development	recreation, meditation, and pedagogy	/inhabitant (or every 1000 inhabitants)	
Habitat provision for animal	Animal sighting	Urban green space provide habitat for birds	Abundance of birds, butterflies and other	Blair 1996; Blair
species		and other animals people like watching	animals valued for their aesthetic attributes	and Launer, 1997

Note: The suitability of indicators for biophysical measurement is scale dependent. Most indicators and proxies provided here correspond to assessment at the plot level.

Source: Own elaboration based on literature review

Ecosystem functions	Disservice	Examples	Indicators	References
Photosynthesis	Air quality	City tree and bush species	Emission of	Chaparro and
	problems	emit volatile organic	VOCs (tons yr-1)	Terradas 1999;
		compounds (VCOs)	/ vegetation unit	Geron et al 1994
Tree growth through	View	Blockage of views by trees	Tall trees close to	Lyytimäki et al.,
biomass fixation	blockage	standing close to buildings	buildings	2008
Movement of floral	Allergies	wind-pollinated plants	Allergenicity (e.g.	D'Amato 2000
gametes		causing allergic reactions	OPALS ranking)	
Aging of vegetation	Accidents	Break up of branches falling	Number of aged	Lyytimäki et al.,
		in roads and trees	trees	2008
Dense vegetation	Fear and stress	Dark green areas perceived	Area of non-	Bixler and
development		as unsafe in night-time	illuminated parks	Floyd, 1997
Biomass fixation in	Damages on	Breaking up of pavements	Affected	Lyytimäki and
roots; decomposition	infrastructure	by roots; microbial activity	pavement (m ²)	Sipila, 2009
			wood (m ³)	
Habitat provision for	Habitat	Animals / insects felt as	Abundance of	Bixler and
animal species	competitition	scary, unpleasant, disgusting	insects, rats, etc	Floyd, 1997
	with humans			

Table2 -. Examples of ecosystem disservices in urban areas.

Own elaboration based on literature review.

Ecosystem service	City	Biophysical accounts	Economic value estimates	Valuation model	Reference
	Barcelona, Spain	305,6 t/y	€1,115,908	Avoided costs / UFORE	Chaparro and Terradas 2009
	Chicago,	5575 t/y	US\$ 9,2 million	Avoided costs	McPherson et
ion	USA			/ C-BAT	al. 1997
Air purification	Modesto,	154 t/y;	US\$1.48 million	Willingness	McPherson et
purij	USA	USA 3.7 lb/tree US\$		To Pay	al. 1999
Air ,	Sacrament	1457 t/y	US\$28.7 million	Avoided costs	Scott et al.
	o, USA		US\$1500/ha		1998
	Philadelphi	802 t/y	US\$ 3,9 million/y	Avoided costs	Nowak et al.
	a, USA				2007
	Chicago,	0,5 GJ/tree (cooling)	US\$15/tree	Avoided costs	McPherson et
	USA	2.1 GJ/tree (heating)	US\$10/tree	/ C-BAT	al. 1997
Bu			US\$50-90 per		
Urban cooling /heating			dwelling unit		
·ban cooli /heating	Modesto,	110,133 Mbtu / y;	US\$870,000	Avoided costs	McPherson et
Urt	USA 122kWh/tree		US\$10/tree		al. 1999
	Sacrament	157 GWh (cooling)	US\$18,5 mill/y	Avoided costs	Simpson 1998
	o, USA	145 TJ (heating)	US\$ 1,3 mill/y		
	Barcelona,	Storage: 113,437t	Not assessed	Avoided costs	Chaparro and
	Spain	Sequestration: 6187		/ UFORE	Terradas 2009
		t/y; 5,422 t/y (net)			
(t of C/y)	Modesto,	13,900 t	US\$ 460,000 US\$	Avoided costs	McPherson et
t of	USA	336 lb/tree	5/tree		al. 1999
	Philadelphi	Storage : 530,000t	US\$ 9.8 million	Avoided costs	Nowak et al.
gulat	a, USA	Sequestration	US\$ 297,000	/ UFORE	2007
e reg		16,100 t /y			
Climate regulation	Washingto	572 t/y	US\$ 13156	Avoided costs	Nowak and
Ũ	n, USA 1,0 t /ha/y			/ UFORE	Crane 2000
	Chicago,	Storage: 5,6million t	Not assessed	Avoided costs	McPherson et
	USA	(14-18 t/ha)		/ C-BAT	al. 1997

Table 3-. Biophysical and economic accounts for the ecosystem services air purification, urban cooling, and climate regulation. Examples from studies conducted in Europe and United States.

PM: particulate matter. UFORE: Urban Forest Effects model; C-BAT: Cost-Benefit Analysis of Trees. When pollutants are not specified, calculations include NO₂, SO₂, PM₁₀, O₃ and CO). Note: Figures were not converted to net present values and should be taken as illustration only.

Table 4-. Economic valuation of ecosystem services in urban planning at different scales

Scale	Urban planning issue	Role of economic valuation		Economic valuation methods				Selected methodological challenges
				TC P	F/DF	RC	SP	
	Prioritising urban growth alternatives between different areas	Valuing benefits and costs of (i) urban revitalisation (ii) urban infill (iii) urban extension (iv) suburban retrofit (v) suburban extension (vi) new neighbourhoods, with (vii) existing infrastructure (ix) new infrastructure (x) in environmentally sensitive areas						Comprehensive benefit-cost analysis at multiple scales and resolutions at multiple locations is expensive. Spatial multi-criteria analysis as alternative.
Region	Fair and rational location of undesirable landuses (LULUs)	Value of the disamenities of e.g. powerplants and landfills						Using benefit-cost analysis to allocate infrastructure with local costs versus regional benefits may not achieve fair outcomes
	Preservation of productive peri-urban farm belt	Willingness to pay for preservation of open space and 'short distance' food						Large import substitution possibilities for locally produced food
	Preservation of peri-urban forest, water bodies	Willingness to pay for preservation of recreational areas/sites						Large substitution possibilities for alternative recreation alternatives
	Water availability to support urban growth	Valuation to support full cost pricing of water supply. Incentive effects of removing water subsidies.						Can require inter-regional geographical scope of valuation
	Using transferable development rights (TDR) to concentrate growth and achieve zoning	Determine farmer opportunity costs and benefits of foregoing urban development as a basis for predicting the size of a TDR market						Using real estate prices versus opportunity costs of foregone farm production versus landowner perceptions of opportunities
	Preserving views, open spaces, parks and trees in public places	Willingness to pay of households for quality and proximity of recreational spaces						Accounting for substitute sites and recreational activities Spatial autocorrelation of neighbourhood amenities
rhood	Conserving soil drainage conditions and wetlands	Valuation of replacement costs of man-made drainage and storage infrastructure; flood and landslide damage						Hydrological and hydraulic modeling required
Neighbourhood	Conserving water and urban wetlands	Costs of household water harvesting, recycling and xeriscapes, constructed wetlands						Cost-benefit evaluation requires comparison with ful costs of water supply (see regional analysis)
Nei	Natural corridors	Benefits of habitat conservation; opportunity costs to urbanisation						Difficulty in specifying habitat connectivity requirements of corridors
	Local farm produce Edible gardens	WTP for local, fresh produce. Recreational value of home gardens						Large import substitution possibilities for locally produced food
Street-scape	Street trees	Value pedestrian safety through slowing traffic; disamenities of heat islands; absorption of stormwater, and airborne pollutants, WTP for health amenities						Associating ecosystem service values at neighbourhood level to individual trees.
	Green pavements for stormwater management	Willingness to pay of households for green streetscape; additional costs of larger dimension stormwater						Associating ecosystem service values at neighbourhood level to individual pavements
Building	Green roof tops Yard trees Lawns vs. xeriscapes	Additional costs of traditional stormwater management; mitigation of heat island						Associating ecosystem service values at neighbourhood and street level to individual roofs, trees and lawns

Note: Valuation methods: HP:Hedonic pricing; TC: travel cost; AC avoided cost including production or damage function methods; RC: replacement cost; SP: stated preference methods

Source: urban planning issues selected by the authors based on a listing by Duany et al. (2010). Evaluation of valuation methods based on literature review and authors own evaluation.



