

## Initial thoughts on the lessons learnt from other Asian Cities<sup>1</sup>

### Lessons learnt from Singapore

- To facilitate redevelopment in the private sector:
  - ◆ In 1997, the percentage of consent required for en bloc sale was reduced from 100% to 90% for buildings less than 10 years and 80% for buildings 10 years or more.
  - ◆ Between 1988 and 2001, rent control has been gradually phased out.
- Conservation:
  - ◆ Conservation was kick-started in 1984 by the concern on tourism, thematic development and tourism oriented conservation. It had led to the loss of authenticity and organic vitality.
- Overall planning is important for a privately led redevelopment in the private sector and extensive conservation.

### Lessons learnt from Seoul

- Redevelopment
  - ◆ Government had tried to pull out from redevelopment between the 1980s till 2002, but has to take an active part again in the “New Town” projects, because purely privately led redevelopment in the 1980s and 1990s had led to:
    - higher and higher building heights;
    - building density and building mass;
    - lack of communal facilities; and
    - deteriorating traffic conditions.
  - ◆ The un-coordinated redevelopment of Seoul downtown in the 1980s had led to replacement of low rise residential units by high rise office buildings, leaving an empty business centre at night.
  - ◆ Redevelopment of “old town” to “new town” has the following characteristics:

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<sup>1</sup> Adapted from a presentation made on December 15, 2008 at the Seminar on “Models and Challenges of Urban Renewal – Sharing of Asian Experience”

- initiation from top (municipal level) and planning starts from the bottom (“Gu”, i.e. district, level);
  - different approaches (total re-construction to mixture of restoration and re-construction) for different projects depending on the different circumstances of project;
  - cases studies of the new town projects indicated that primarily localized concern would only focus on financial/economic return on redevelopment; and
  - housing bonds issued by city government were used to finance these projects.
- The relative successful voluntary conservation as in the case of traditional Korean Houses (“Hanoks”) in Bukchon included:
    - ◆ relaxation of building codes to reduce compliance issues with modern building codes;
    - ◆ availability of loan for renovation;
    - ◆ active preservation groups serving as watchdog; and
    - ◆ strict height restriction in conservation area.

### **Lessons learnt from Tokyo**

- Lessons learnt are primarily related to redevelopment, which included the following:
  - ◆ top down development and planning framework is required;
  - ◆ top down redevelopment initiative;
  - ◆ bottom up detailed planning;
  - ◆ based on owners participation and private sector partnership; and
  - ◆ government financial and other facilitation measures were available.
- Two qualifications in interpreting the experience in Tokyo are:
  - ◆ a culture that emphasize harmony and consensus; and
  - ◆ land rights belong to the people.

### **Lessons learnt from Taipei**

- Lessons learnt are primarily related to redevelopment which include:
  - ◆ model is similar to Tokyo and to Seoul (1980s-2002);
  - ◆ government serves as regulator and facilitator role;
  - ◆ initiative comes from citizens and developer;
  - ◆ government leadership (mayor, vice-mayor);

- ◆ historically gone through different stages, from public to private and then to public private partnership;
- ◆ higher plot ratio and increased density are used as incentives;
- ◆ currently, more applicable to small scale projects;
- ◆ financially more applicable to higher-end residential areas;
- ◆ improvement to public facilities would be limited;
- ◆ strong community organization was present;
- ◆ (the previous) Taiwan Government's intention to strengthen Taiwan culture via local culture and local identity;
- ◆ owners and developers shared financial risk; and
- ◆ it is planning to develop new urban renewal corporation for larger scale redevelopment that is similar to Korea model.

### **Lessons learnt from Guangzhou**

- **Redevelopment**
  - ◆ Historically gone through several stages, from purely public to mainly privately-led then to public only and to mixed approach.
  - ◆ Initiation from district (district has more power and tax revenue).
  - ◆ High level government leadership with the Mayor's involvement.
- **Conservation**
  - ◆ City and district government play an important role (mostly state owned properties).

### **Lessons learnt in Shanghai**

- Leadership and collaboration of various departments are important in urban renewal.
- Coupling of preservation and profitable redevelopment is instrumental.
- Overall planning is needed for historical districts.

### **Overall lessons**

- The importance of comprehensive planning for conservation and redevelopment, particularly if it is privately-led.
- Changes in strategies at different stages of urban development (from public to private and then to partnership).
- Difficulties faced by Hong Kong, i.e. multi-storey buildings with strata-titles, would soon be faced by other cities. They are not quite facing it now.

### ***On Redevelopment***

- Purely privately led redevelopment has many limitations.
- Privately led redevelopment in Hong Kong requires the highest level of consent amongst all the cities.
- Owner participation depends on profitability of project, i.e. additional development potential.
- There is financial risk.
- Bottom-up planning and redevelopment depends on a strong neighbourhood and empowered local government.
- Possible consideration of land and building bank.

### ***On Conservation***

- Mostly government led (in planning, designation and zoning, support, and acquisition) and private implementation.
- Coupled with strict height restriction and down zoning.
- Relaxation of building codes and requirements is needed, particularly in keeping the authenticity of conservation.
- Growing interest in authenticity and organic evolution in many cities.
- Loans for restoration in private conservation.
- Transfer of plot ratio within site and beyond site.

### ***On Rehabilitation***

- Mostly private responsibility (Seoul provides loans for individual houses).
- Hong Kong faces a very different and more difficult issue – rehabilitation of multi-storey buildings.

### ***On Government Role***

- Changing role in different stages of urban development and based on past experience.
- The importance of comprehensive planning including redevelopment and conservation.
- Leadership, coordination (within government), legal framework, arbitration (administrative or judiciary), financing (bonds/loans).

### ***On Private Sector***

- Play an important part in conservation in many cities, such as Singapore, Guangzhou and Shanghai. Sometimes as part of comprehensive redevelopment.
- In Tokyo, Seoul and Taipei, private construction companies and developers will join owners associations (which are responsible for clearance).
- Public private partnership is common in most cities particularly recently.

### ***On the Community***

- Owners played an important part in redevelopment in Seoul, Tokyo and Taipei.
- Owners played an important part in conservation in Seoul and Singapore.

### **Limitations of “learning” from overseas examples**

- Difference in land policy (ownership, lease policy), for example, Hong Kong is on leasehold and redevelopment will normally imply one-off substantially higher land premium.
- Government structure (national, provincial, municipal, district) is different, for example, Hong Kong has basically only one level and its district level is primarily consultative.
- Political structure (election system) is different. In some examples, mandates for major projects and renewal strategies or approaches are obtained in elections of mayors and national government.
- Local community strength of Hong Kong is relative weak as compared to other cities.
- Social and political culture is very different, for example, harmony in Japan versus diversity in Hong Kong.
- Size and influence of developers in related public policies and implementation of projects vary, for example, Hong Kong has comparatively large and very powerful developers which are not readily found in other cities.
- Existing building density in Hong Kong is already high and can hardly be used as incentive for primarily privately led redevelopment.