Institutional and Urban Management Instruments for Inner City Revitalisation: a brief review with special focus on Brazilian experiences

Claudio C. Acioly Jr.

DRAFT WORKING PAPER, 1999
Institute for Housing and Urban Development Studies-IHS

TABLE OF CONTENTS

Preface

A study on inner city revitalisation experiences undertaken in 1997 resulted in a paper prepared for the International Conference "Shelter and Revitalisation of Old and Historic Urban Centres", Havana, 30th March-3rd April 1998. The present working paper is an enhanced version of the original one. Apart from research and analysis of data contained in selected bibliography mentioned at the end of the paper, the study draws from my experience as a practitioner in Brazilian cities particularly in Brasilia, Rio de Janeiro and Curitiba. Professional visits to Sao Paulo helped me to develop an overview of what is being done in Brazil and Latin America's most vigorous mega city. My daily contact with the urban renewal and inner city development of Rotterdam reflects the interest I developed for this particular experience throughout the 1990's. Furthermore, many of the concepts and ideas coined in the study have been elaborated during the international workshops on Inner City Renewal and Urban Heritage that I had the opportunity to conduct at IHS in Rotterdam. The work I developed at the Department of Housing and Urban Renewal of the Delft University of Technology helped me to understand the housing and urban renewal policies in The Netherlands. A first version of the paper received valuable comments from Monique Peltenburg, Paul Rabé and Kosta Mathey to whom I express my gratitude. Their comments turned the text clearer and more focused.

I am convinced that inner city revitalisation will upsurge and become an important subject area in the 21st Century, particularly if one looks at the forms of city growth that ought to be compatible with the rationale of sustainable urban development. Increasingly, local governments are employing approaches to make downtown and inner city areas more liveable and economically viable via a combination of land use policies, housing & real estate developments and local economic development mechanisms. These interventions actually launch a process of urban transformations that need to be pursued in the era of globalisation and information technology revolution.

The new urban policy paradigm implies an intra-urban growth and densification of central areas in opposition to peripheral developments. The process of urban sprawl towards the natural environment and green fields that surround cities threats their sustainability, imposes large commuting, causes excessive energy costs and expels the population from historical and cultural heritage found at the heart of the inner city. In the era of globalisation and rapid technological changes – when cities strive to become an important nodal pint in the virtual network of urban centres and final recipients of trans-national capital – issues such as attractiveness, identity, efficiency and city marketing become an essential constituent of urban restructuring. In large parts of the world one already witnesses the revival of urban concentration with quality of space and quality of life. That is the response of inner city revitalisation approaches that are described in this study.

The study focuses at first on the causes and effects of urban decay and formulates a concept of urban revitalisation. Regarding the process of inner city revitalisation, it is argued that it is necessary to create a conducive institutional environment through which all stakeholders can play a role and public/private investments can be channelled.

Moreover, the role of governments is considered to be an essential catalyst to foster economic development, which is fundamental to successful inner city revitalisation efforts as it will be shown by means of selected experiences. These experiences in Rotterdam, Glasgow, Sao Paulo, Rio de Janeiro and Curitiba stress organisational aspects of urban governance, the shift towards policies of densification through reuse of buildings (building conversion), the reshaping of urban spaces and the increase in residential use in central areas of the city. It is argued that in practice these solutions reveal the rise of the compact city conception via inner city revitalisation programs.

Finally, the use of innovative urban planning and urban management instruments are illustrated from the case studies in Brazil. They disclose incipient initiatives towards the maximisation of the urban fabric through guided densification and public private partnership as an attempt geared of the revival of the inner city.

Claudio C. Acioly is an architect and urban planner with more than 16 years of experience and is the author of three books focusing on neighbourhood upgrading and density and urban management. He has an extensive experience as a practitioner and docent dealing with various sub-fields of housing and urban development in Brazil, The Netherlands, Egypt, Guinea-Bissau, Moldova, Mozambique and Angola. He has advised local and national governments on policy reform and institutional development as well as on planning and management of housing projects. His current interest lays on the linkage between public policy and institutional changes required for the implementation of city-wide development strategies, informal settlement upgrading, urban revitalisation and community-based action planning.

1.   Urbanisation and Development: an introduction

The close relationship between economic development and urbanisation is now widely accepted. Cities are regarded as the engine of development and economic growth. A review of the process of urbanisation and development experienced by countries like Brazil, Colombia and Argentina - where more than 75% of the population already live in urban areas - confirm the strategic importance of cities in the national development process. For example, the metropolitan region of Sao Paulo – the largest urban-industrial concentration of Latin America with an actual population of nearly 17 millions inhabitants spread in 8,100 km2 – has an area equivalent to a country like Lebanon but has a GNP (US $ 140 billion) that is equivalent to South Africa's and higher than Portugal's GNP.
The municipality of São Paulo alone – where 9.8 million inhabitants are concentrated in 1,5 thousands Km2 – has a GNP of US $ 99 billion. This is higher than the GNP of countries like Peru, Egypt and Venezuela (IPEA, 1998). The municipality of Rio de Janeiro, Brazil's second largest city and important centre of tourism, culture and financial services, has a GNP of nearly US $ 50 billion. Altogether, these two cities alone are responsible for more than 20 % of the total GNP of Brazil and their metropolitan regions together respond to more than 30 % of Brazil's GNP and accommodation nearly 20 % of the total Brazilian population of 160 million inhabitants.

The concentration of people in urban areas is not a peculiarity of Latin America but it is a worldwide phenomenon. Although the urban growth rate has decreased dramatically in the largest cities in Brazil and other Latin American countries, this process seems to be irreversible disclosing inequalities, poverty and serious environmental impacts that need to be systematically assessed (Acioly et al, 1997). Nevertheless, human agglomerations do offer opportunities for development but the uncontrolled growth of cities displays ample number of problems that affect directly the quality of the urban environment and the sustainability of cities. Sustainable urban development requires innovative approaches that can foster the mobilisation of local resources and maximisation of existing potentials as well as the participation of key stakeholders from the public, private and community sectors.

The demand for efficient local governments is on the order of the day. They must come up with policy and planning instruments to deal creatively and effectively not only with the demographic pressure and the increasing demand for housing, infrastructure, land and public services. But also to deal with the process of environmental degradation already in place in many cities throughout the world, to mention the process of social exclusion and increasing urban poverty. Problems faced by inner cities, in particular, are calling for innovative approaches and some experiences already in place provide us with important lessons.

2.   Inner city development: manifestations of decline or missing opportunities?

If cities are considered the motor of development, the inner cities should be regarded as a pivotal constituent of this engine. For example, Johannesburg's inner city is considered as the heartland of Gauteng, accounting for 60% of the provincial and 25% of the national GDP (GJMC, 1997).
It contains nearly 3 million square meters of office space or more than half of what is available in other South African metropolitan regions of Cape Town, Durbain and Pretoria combined. Johannesburg's inner city houses six out of seven South Africa' s powerful mining corporations; nine leading life insurance companies of the country have their headquarters situated there. Although it houses 111,400 inhabitants nearly 800,000 people come into the inner city on daily basis, nearly half are taxi passengers. It concentrates art galleries and museums that attract almost 200,000 visitors/year and have a student body of 34,000 students following university education which is situated there (GJMC, 1997; GPG, 1996; 1997).

The figures for the inner city of São Paulo's are impressive and show the importance of its inner city for the economic development of the metropolitan region. Occupying an area of approximately 5 Km2, it provides 11% of the employment opportunities of the entire city; up to 25,000 people employed in the banking sector actually work in São Paulo's inner city. Two and a half million people circulate daily through the inner city from which only 100,000 are residents. The stock exchange market (BOVESPA) and the Commodities Exchange Market (BM & F) are two prominent financial institutions whose headquarters are situated in the heart of the inner city mobilising US $ 25 billion/day and generating 11,000 jobs alone. Not mentioning that 284 bus lines, 2 railroad stations and 2 underground metro lines with 7 stations are situated in São Paulo's inner city (Guimarães, 1998; Longareri, 1997).

Regarded as the central locality where a myriad of urban activities was usually concentrated, often embracing the historical centre and its cultural and building heritage's, the inner city commonly evolved the Central Business Districts (CBD) with its specialised functions linked to commerce, retail and financial services. A close look at the urban growth pattern of cities like Rio de Janeiro and São Paulo reveals that from the beginning of this century onwards inner cities were gradually transformed into a highly specialised, densely occupied and exclusive land use urban environment. Despite the outward growth, inner cities continued to attract people who apparently did not remain in the area after the working journey was ended. This situation became so critical in some cities that one may speak of a urban inefficiencies derived from fluctuating densities (Acioly and Davidson, 1996). Severe traffic congestion and an overload infrastructure became the order of the day. The process of transformation experienced by inner cities is also associated with the shift in housing and real estate investments to more peripheral and/or strategic locations which occurred vis-à-vis the creation of other urban centrality's of employment, services and commerce, and the construction of new housing estates and neighbourhoods. These developments had the dual intent to decrease commuting and to offer less congested residential environments. There was a noticeable displacement of population with those with lower incomes remaining in the centrally located neighbourhoods and nearby areas where they could find cheap housing solutions. Informal housing processes through tenement housing and slums developed vis-à-vis the specialisation of inner cities, which intensified overcrowding, and the degradation of the human environment. This is coupled with traffic congestion, increasing 'informalisation' and the appearance of self-employment, which turned these central localities into a dynamic though very complex urban environments. Despite all that, many city centres remain as important business and entertainment hearts to large city regions (TCPA, 1996).

Inner cities that embraced harbour areas were confronted with an additional problem at the waterfronts. There is a noticeable rupture in the city-port relation, caused mainly by the demands imposed by modern navigation and the development of containers shipping which continuously requires the renewal of technologies and infrastructures; the industrialisation and appearance of new towns in the hinterland that shifted the way goods and raw materials are transported and marketed; and the emerging of telematics and the process of globalisation (Dankfort, 1994). Consequently, a process of degradation and "under-utilisation" was intensified and lead to a severe decline. Cities were confronted with the release of large centrally located urban areas that are potentially available for redevelopment and new uses. The large and traditional port cities like Amsterdam, Rotterdam, Rio de Janeiro, Barcelona and Boston just to mention a few faced similar problems.

A shift in policies towards inner cities is taking place. At first there was an emphasis given to outward growth and later on to inward restructuring and renewal. The shifts to promote inner city renewal reinforces the spatial reshaping and the transformation of land use patterns which

stimulate the expansion of housing opportunities in the city centre, mixed use and high density developments. This occurs parallel to the growth of the service sector and the retreat of the manufacturing sector, and an increasing demand for office space which all together influence the demand for land in central locations. Furthermore, the continuous linear and horizontal urban expansion towards the green fields leads to unsustainable urban sprawl and materialises a city form that is heavily depended on private motor car. On one hand, there is a scarcity of resources to provide this growth with the required infrastructure and services and on the other hand, this development pattern represents a potential threat to the environment in which it is inserted and from which its major natural resources are extracted. A new vision to re-planning the city is needed. The revitalisation of the existing urban fabric and inward densification seem to emerge as a key urban planning and management response to foster sustainable development.

The role that inner cities play in sustainable urban development has not been sufficiently understood and appreciated in local government development policies and plans in developing countries. However, shifts in policies and still incipient endeavours in some of these countries aiming to reverse the process of social, economic and physical decay and the overall environmental deterioration give signs that a program of revitalisation is on the way.

3.   Urban Decay: various facets of deterioration of the urban environment

The process of physical, social and economic deterioration that confronts inner city and central neighbourhoods can be explained in various ways. At times, there is a sharp decrease in economic activities caused by the departure of small businesses, petty industries and manufacturers to more prosperous and dynamic areas where adequate services and infrastructure are in place and where development opportunities exist due to better accessibility, income, customers and less congestion. The pushing factor is a remarkable decrease of urban vitality in inner city areas. Consequently, these areas experience changes in the pattern of land occupation and land use coupled with a gradual devaluation of real estate properties and the impoverishment of the population (see Figure 1). There is a noticeable process of social unrest common in many inner cities.

At times, the change in character and function of a determined neighbourhood as well as the gradual shift in the profile of the inhabitants - caused by social mobility - highlight the phenomenon of ghettos and the appearance of dilapidated sites. Here one finds subrenting, overcrowding and high population densities which are directly associated with a process of spatial, social and economic segregation. Violence, criminality and drug trafficking may not be excluded.

The scarcity of financial resources and decrease in public and private investments are important factors that contribute to the loss of urban vitality and to the deterioration of the urban heritage. Public spaces and configurational qualities intrinsic to the built-up environment are severely affected. There is a noticeable fall in the attractiveness of the locality. On one hand, the poor management and inadequate maintenance of the existing infrastructure networks and services highlight institutional inefficiencies and the lack of finance. On the other hand, the overall process of physical deterioration that follows reveals inefficient urban management and the incapacity of local governments to deal effectively with the problem. Local government interventions are required in order to reverse the process of urban decay and the deterioration of housing and environmental conditions.

4. The Need of Intervention through Effective Public Policies

The various facets of urban environmental decay faced by inner cities require an immediate response through action plans that are:
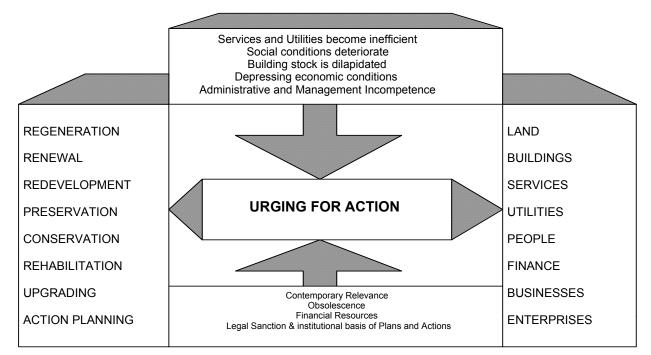
- *integrative*, meaning that the physical recovery of distressed neighbourhoods must be coupled with social and economic renewal aiming at their integration into the urban economy;
- *co-ordinating*, meaning that the approach is matched with a cross-sector co-ordination effort that links actors, resources and objectives, and maximises local resources;
- *financially sustainable*, meaning that the revitalisation process has a financial basis of support which does not rely only on public budget allocation but also on the contribution from key stakeholders from the private and community sectors;
- *institutionally bound*, meaning that a well defined institutional arrangement is in place and which gives technical, political and management autonomy to a locally-based public-private organisation capable to steer the process;
- *technically sound*, meaning that solutions are feasible and implementable with the available means, instruments, technologies and finance.

These seem to be prerequisites to recover the "modernity" and authenticity of inner cities and to combat the obsolescence of neighbourhoods in a sustainable manner. The policies of intervention must also adhere to two important principles of equity and efficiency. Equity refers to distributive aspects of the policy regarding the access of the urban poor and economically weaker groups of society to the wealth produced through policy implementation; it implies the clear identification of who pays and who benefits from public investments and integration policies. Efficiency refers to the equilibrium between outputs and inputs and form the basis for comparison between the costs to mobilise means and resources and the results accomplished; it indicates the maximisation of resources (existing and potentials) vis-à-vis the accomplishment of an equal distribution of the benefits generated through urban development.

Public intervention is translated by means of action planning which at times aim at urban renewal, physical and economic regeneration, redevelopment and/or preservation of values and cultural heritage of urban spaces and artefacts. These interventions deal with interests of capital and with public and private financial resources, which are needed to initiate programs of urban revitalisation. In practice, these interventions tackle land use and commercialisation of plots and real estate properties in the local markets; it deals with divergent and convergent interests from the public, private and community sectors in the process of defining new uses, functions and activities needed to foster economic development. The experience shows that inner city revitalisation demands the establishment of an efficient urban management system capable to steer conflict resolution, mobilise adequate resources and guide urban development in a participatory manner. Notwithstanding, we should keep in mind that although inner cities do have intrinsic opportunities and strength that are essential for the city as a whole, they do carry fundamental weaknesses originated from the fact that inner cities are the very first stage of urbanisation. Meaning that the infrastructure networks are usually at the end of its lifetime and demanding replacement; the plots are rather small and ownership tends to be very fragmented which makes difficult land development. This is further illustrated in the Figure based on Baross (1997).
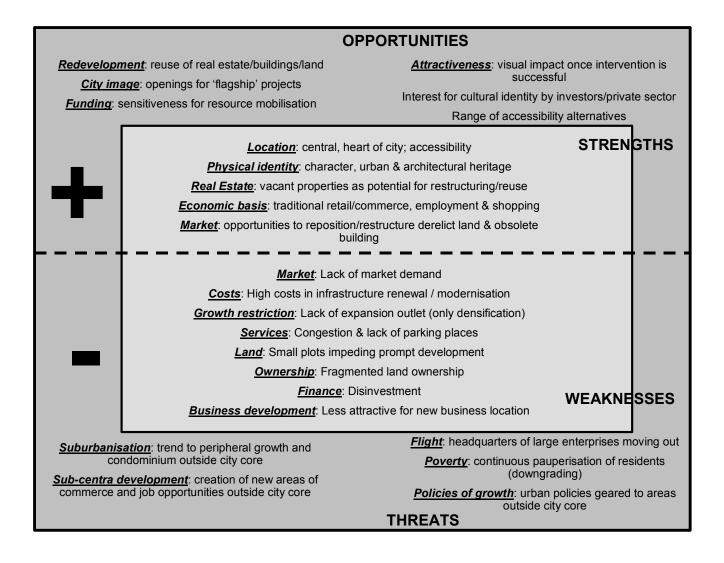
Figure 1

FACETS OF URBAN DECAY IN THE INNER CITY

Services and Utilities become inefficient
Social conditions deteriorate
Building stock is dilapidated
Depressing economic conditions
Administrative and Management Incompetence

REGENERATION		LAND
RENEWAL		BUILDINGS
REDEVELOPMENT		SERVICES
PRESERVATION	**URGING FOR ACTION**	UTILITIES
CONSERVATION		PEOPLE
REHABILITATION		FINANCE
UPGRADING		BUSINESSES
ACTION PLANNING		ENTERPRISES

Contemporary Relevance
Obsolescence
Financial Resources
Legal Sanction & institutional basis of Plans and Actions

5.   Urban Revitalisation Revisited

The way urban revitalisation initiatives are conceptualised and put into operation is closely associated with the way both urban degeneration and revitalisation are perceived as opposite by those who are responsible for planning, managing and implementing initiatives to reverse this process of decay. It is also influenced by how urban problems - for which revitalisation is designed as the solution - are understood. In order to translate this broad concept into action, it is imperative to define the meaning and scope of urban revitalisation as a policy, program and project approach to renew and adapt neighbourhoods, sites, buildings and urban spaces to current needs and demands. The international literature and the legislation in various countries stress a definition of urban renewal with several local specificity's (Alterman et al, 1991; Couch, 1990; Premius and Metselaar, 1992).

In this paper, urban revitalisation is defined as an urban renewal approach that intends to reverse the process of physical deterioration and social and economic decline that prevents urban areas and their inhabitants from being an integrated part of the current urban development process. Thus, urban revitalisation brings the social and cultural milieu, derelict land and obsolete buildings, urban spaces, local economies, infrastructure and services back to the dynamics of urban life by integrating them physically, economically, administratively, socially, juridical and politically to the city's systems. Revitalisation may assume different characters; one that promotes a gradual process of improvements which can either pursue preservation measures - encompassing complete renewal or not - or carry out a radical redevelopment of the area by means of demolition and physical and economic restructuring.

OPPORTUNITIES

Redevelopment: reuse of real estate/buildings/land

City image: openings for 'flagship' projects

Funding: sensitiveness for resource mobilisation

Attractiveness: visual impact once intervention is successful

Interest for cultural identity by investors/private sector

Range of accessibility alternatives

+

STRENGTHS

Location: central, heart of city; accessibility

Physical identity: character, urban & architectural heritage

Real Estate: vacant properties as potential for restructuring/reuse

Economic basis: traditional retail/commerce, employment & shopping

Market: opportunities to reposition/restructure derelict land & obsolete building

–

Market: Lack of market demand

Costs: High costs in infrastructure renewal / modernisation

Growth restriction: Lack of expansion outlet (only densification)

Services: Congestion & lack of parking places

Land: Small plots impeding prompt development

Ownership: Fragmented land ownership

Finance: Disinvestment

WEAKNESSES

Business development: Less attractive for new business location

Suburbanisation: trend to peripheral growth and condominium outside city core

Sub-centra development: creation of new areas of commerce and job opportunities outside city core

Flight: headquarters of large enterprises moving out

Poverty: continuous pauperisation of residents (downgrading)

Policies of growth: urban policies geared to areas outside city core

THREATS

According to Del Rio, inner city revitalisation means above all the recovery of its former meaning for the population, its central functions, its symbolic role and the sense of place in the city (Del Rio, 1994). In Great Britain, inner city regeneration was a priority of the political agenda during the 70's and 80's which aimed at the strengthening of economics (industry and job creation) and the halting of current dispersal towards new and existing new towns (Berry et al, 1993). It comprised the "construction and renovation of dwellings in the social and commercial sectors, the promotion of economic activity, the tackling of dereliction, the provision of business and incentives to invest in employment and training initiatives and the provision of social facilities" (Premius and Metselaar, 1992). In the Netherlands, a 1985 government act defined urban renewal as "a systematic effort in the fields of planning and building as well as the social economic, cultural and environmental standards of living in order to preserve, repair, improve, restructure or clear built-up areas within municipalities"; while in Germany, a 1971 government act defined it as the "elimination of arrears in urban planning by the demolition of buildings and by essential restructuring of the inner city" (Premius and Metselaar, 1992).

Urban revitalisation approaches can be defined within a range consisting of two polar approaches and an intermediary one (see Figure 2). In one extreme, there is a conservation approach. It is based on an urban renewal initiative that responds to social and economic demands without bringing too much changes in the genuine character and authenticity of the built environment and artefacts. Conservation stresses this specificity. It promotes gradual adaptive measures and is commonly linked to urban conversion, building refurbishment and restoration. It is a concept usually associated with interventions dealing with historic sites and inner cities, which have valuable urban and cultural heritage. The intervention integrates the locality and artefacts in the current urban fabric and city systems.

The redevelopment approach occupies the other extreme position. It is based on a radical process of urban renewal that implies the demolition of the obsolete structures and urban artefacts, and the infringement of new uses, functions, buildings and even regulations. The redevelopment effort is meant to attend new social needs and economic demands that are currently emerging in the city. The process of globalisation and technological developments stimulate local governments to pursue this line of urban revitalisation as a way to attract private investments which are commonly associated with grand designs and visually attractive urban environments. It transforms the personality and character of the locality and creates a new physical, social and economic profile, which fits an idealised image of urban modernity. Frequently, redevelopment is associated with drastic physical and spatial changes motivated by demands of housing and real estate markets. It is also often associated with social exclusion and the gradual displacement of the original population due to significant increases in urban standards and housing, property, users' services and rental prices.

The rehabilitation approach occupies a middle position. It is based on an urban renewal effort characterised by a gradual process of physical/spatial, economic and social transformation that responds to well-defined local needs and priorities. It preserves social, cultural and physical features and the genuine characters of sites, buildings and local economic development processes. At the same time it may launch redevelopment initiatives which help to integrate them into the overall urban development process of the city. Upgrading and regeneration are other jargons that are used to define urban rehabilitation initiatives.

6.   Reviewing Urban Revitalisation Experiences in Europe and North America

There is already a significant amount of experiences with revitalisation programs in the USA which are well documented since the 1970's and which provide us with interesting lessons. Baltimore and Boston perhaps are two of the best well-known cases. The approach is based on a collaborative model in which all stakeholders from the public, private, community and business sectors interact under the guidance of mixed capital companies created specifically to plan, manage and implement the revitalisation program. The success of this approach is related to the degree of flexibility and the utilisation of strategic planning instruments that were responsive to local demands and which helped to minimise the threats and maximise market opportunities. Responsive urban management was one of the pillars of the approach. In Baltimore, the emphasis given to the economic, social and cultural heritage of the site favoured the establishment of the collaborative process. An Inner Harbour Development Corporation was created and was responsible for real estate and land development with a significant degree of autonomy to steer the entire process of redevelopment (Frieden and Sagalyn, 1989; Del Rio, 1994).

Similarly, in Great Britain, revitalisation strategies gained an entrepreneurial character with autonomous and semi-autonomous organisations - UDCs-Urban Development Corporations - assuming a prominent position in land acquisition, development and in the establishment of public-

private partnerships. The UDCs were single-minded agencies with specific objectives, operating in a clearly defined area, seen as the best mechanism to assist in levering private sector investment (Bintley, 1993; Wood, 1994). Throughout the 1980's inner city regeneration programs were given full priority. The success accomplished was due to a substantial public sector support and even subsidy for land acquisition and infrastructure provision required to channel private sector investment (Hanley, 1993).

An urban program was defined within the 1977 White paper, which advocated different forms of partnerships as part of a co-ordinated urban regeneration strategy. City Action Teams and Task forces were formed and later Enterprise Zones and UDCs were created by the 1980 Local Government, Planning and Land Act. These were seen as important planning and urban management instruments required to tackle the complexity of inner city problems. This is defined as the agency approach adopted to develop, finance, manage and implement revitalisation programs (Lloyd and Black, 1993). The experiences in Glasgow, Birmingham, Baltimore and O Porto follows this approach, just to mention a few.
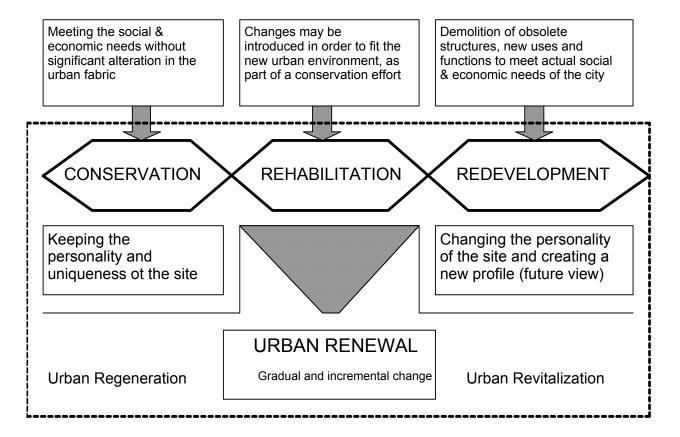
Figure 2

The importance of partnership with the private sector in urban regeneration initiatives was stressed in various policy and programs like the "Action for Cities" policy statement and in the City Challenge program. The latter innovated by establishing a process of competitive bidding for cities to become eligible to public funding through applications - project proposals - which after all helped to stimulate innovations and creative urban renewal ideas. The experience during the 1990's revealed the consolidation of an urban revitalisation policy with the establishment of a new urban

regeneration agency with main tasks to reclaim derelict land and to assemble sites for redevelopment (Berry et al, 1993; Bintley, 1993).

Any review in urban regeneration activities cannot disregard the Glasgow experience. From mid 70's, public policies encouraged the development of vacant land and the renovation of unused buildings within the urban fabric as opposed to peripheral developments. Follow-up planning during the 1980's focused on inner city development, which is now under the responsibility of the Glasgow Development Agency, the funding body for urban renewal and environmental improvement projects. Inner city revitalisation evolved office, retail, housing, cultural and leisure/entertainment sectors. The implementation of new housing construction and the conversion of existing buildings represented an important breakthrough to consolidate living, working and shopping in a lively inner city environment. Instrumental for that was the district council's decision to sell its properties to private developers for very attractive prices in addition to flexibility in planning standards and conversion grants that reached £5,100 per dwelling unit (Wannop, 1990; Cowan and Lindsay, 1993). Pedestrianization and public transport investments were also part of the revitalisation approach that which served to reinforce commerce and the retail sector (Keating, 1988; Pacione, 1995).

In Rotterdam, The Netherlands, the inner city revitalisation program aimed at the consolidation of an urban environment where living and working can exist simultaneously. People will attract more people, that is the motto. Actually, there are 14,000 housing units with an estimated population of 28,000 inhabitants. In order to increase the buoyancy of the inner city after shops are closed at the end of the day, the municipality is already implementing the plan to build more 5,000 housing units in the period 1998-2002 (Municipality of Rotterdam, 1999). The inner city development program has been guided by a plan that is structured on three thematic pillars: the central area where arts and culture entertainment are concentrated; and the tourist and recreational triangle with its direct linkage to the waterfront.
Since land was expropriated after the 1940 German bombardment that destroyed the city centre, it has become public property since then. This allowed the local government to play a catalytic role as developer and stimulator of public-private partnerships. Several strategic projects were designed and implemented and a special attention was given to increase building densities and the supply of housing to differentiated income groups in the city centre (Daniels. 1991; DROS, 1989; Municipality of Rotterdam, 1993; 1994). A comprehensive 'pedestrianization' was realised vis-à-vis the reinforcement of the existing shopping streets and the restructuring of traffic and public transport. In 1994, the municipality established a City Information Centre situated in the heart of the inner city in order to narrow the communication with inner city users and the population as whole about the municipality's plans and ideas regarding the physical, functional and economic restructuring of Rotterdam's inner city. In five year's time, 300,000 visitors came up with inquiries, 80,000 people made inquiries via the telephone and during the last 3 years an additional 100,000 people did that via email (Municipality of Rotterdam, 1999). This centre became a vital focal point for information sharing on a daily basis displaying models, designs, reports and video films to the population and channelling their concerns to the municipal administration.

One of the lessons from Rotterdam concerns the intensive public participation and city consultations which allowed inhabitants, users and stakeholders to voice their concerns and objections and to have a decisive role in the decision making process. The city is known for its participatory urban renewal program that is being implemented since the early 1970's from which inner city revitalisation draws its experience. A project group approach was chosen and each urban renewal intervention was planned, managed and implemented by a peculiar project management structure established per neighbourhood in order to allow the direct participation of the inhabitants in the entire process, from planning to final completion. An organisational setting

allowed cross-sector, inter-agency, inter-projects and overall horizontal co-ordination within the local government institutional framework. The project manager was the focal point in linking as well the inhabitants and their neighbourhood association with the various stakeholders. The approach can be summarised as follows:

- intense community participation;
- emphasis on social housing (till beginning of the 1990's) with the inhabitants given the choice to remain where they live, thus no forced eviction;
- an integrated neighbourhood development approach, thus tackling not only physical rehabilitation but also social, cultural, economic and environmental improvements;
- a project group approach with a renewal project office established "in loco";
- a decentralised process of decision making;
- the local government pays for the technical and social assistance selected (hired) unilaterally by neighbourhood associations. These professionals act as consultants on behalf of the inhabitants and defend their points of views in the negotiations with the government and other stakeholders;
- majority systems in favour of the inhabitants (n+1) in the decision making process at the project group level which involved representatives from the government, inhabitants, housing associations, business, private developers.

A very similar project management approach was established in the inner city revitalisation program and the strategic projects implemented under its umbrella like the Beursplein renewal and the Kop van Zuid Project. The latter is a former harbour area in which besides the physical improvements the municipality stressed the concept of social renewal, putting emphasis on vocational training, job generation, poverty alleviation and the recovery of local economic development processes. The Kop van Zuid gained notability from its grand design and a spectacular bridge - linking the south bank with the inner city - and the successful public-private partnership needed for the project to succeed. The project is estimated at US $2 Billion from which nearly 1/5 is financed by central and local governments and the remaining by the private sector. The approach pursued by this project is significant considering that Rotterdam is the largest port in the world and keeps up with a dynamic process of economic, technological and physical restructuring that characterises its modernisation and expansion. The renewal of former harbour areas provides the municipality with unique opportunities to develop several housing and mixed-use urban schemes in central locations, which are becoming vacant due to the displacement of port activities. Furthermore, it helps to materialise a key objective of the city's development plan, which is to strengthen the inner city through increments in housing and related services. Public-private partnership has been exercised in a successful way in practically all projects. More recently the municipality of Rotterdam sophisticated the organisational structure of urban renewal by adding representatives from private sector developers, housing associations, contractors and other public agencies. The result is a much more complex organisational setting.
The local government calls this initiative as the renewal of urban renewal. This is in line with the process of privatisation and the gradual decrease of state subsidy to urban renewal. There is also an awareness that without the co-operation of other stakeholders from the private and public sectors an efficient urban revitalisation process cannot be accomplished.

Very recently, the municipal council decided about an additional investment of nearly US $ 20 million to turn the inner city even more attractive. This is in line with the municipality's intention to make Rotterdam an attractive city that will culminate with its position as European Cultural City of the year 2001. Several plans are under formulation and an inner city bureau has been established as the front office of the housing & City Planning Department, the Municipal Development Agency – OBR and the Department of Public Works – GWR. The bureau has an important co-ordination role among all-municipal departments and agencies, and strive to improve service provision in the inner city and to foster and strengthen collaboration with private sector, businesses and the resident

population. An expert group has been formed and is composed by representatives of private sector, cultural and social organisations, residents' association. A public-private partnership contract has been signed for the restructuring, planning, implementation and management/maintenance of the Binnenweg Square (Winckel, 1999) and this seems to mark the new approach towards public space management.

7.   Lessons Learned

The European and North American experiences show that the public sector is the driving force in the revitalisation efforts via specific policies, programs and incentives that mobilise the involvement of residents, users, enterprises and the business sector as whole. Not mentioning the participation and articulation between various public agencies from local and even sub-national government levels.

There is a noticeable effort to build legitimacy of the inner city revitalisation process among these actors as a precondition to build ownership, political support and even financial contribution. The analysis of successful stories – even those not described in this study – shows that they hold similar features in terms of policies and the nature of urban restructuring. There is always a combination between redevelopment approaches and selective conservation of key architectural and urban heritage that gives inner cities their special character, image and identity that hold for the entire city and urban region and which is captured by the population. They are reference points in urban history. At times, some grand designs, prestigious projects and "flagship projects" produce the necessary appeal and city marketing that is much supported by the private and corporate business sectors. The 'pedestrianisation' of parts of the inner city is a common ground and is often accompanied by a comprehensive approach to public transport, accessibility and circulation of goods and people. In practice, it means that inner city revitalisation is an inevitable integrated process.

There is a trend to produce and strengthen mixed-use urban environments with accent given to redesigning of public spaces, stimulus to entertainment and leisure facilities coupled with increasing production of residential spaces. Existing buildings of historical value are converted and refurbished for different purposed in order to make it attractive for more people and businesses to settle in the inner city. The trend is to increase housing and building and population densities. Real estate developers are increasingly getting involved in these opportunities and elaborating partnerships with both public and private sector agents, especially when redevelopment is an option being considered.

The experiences indicate that public-private partnerships are essential for the generation of additional funding and complementary investments needed to revive the city core. The 'agency approach' in planning, managing and monitoring inner city revitalisation provides high degree of autonomy , speed up decisions, decentralise planning processes as well as decision making and priority setting. The success of inner city revitalisation requires significant attention given to the institutional setting and program management aspects as a way to foster effectiveness and integration among sector policies and inter-agency co-ordination. Finally, the local economy receives a significant attention meaning that without local economic development there will be no revival of the inner city.

8.   Undertaking Inner City Revitalisation in Brazil: incipient experiences

Cities like Salvador, Rio de Janeiro, São Paulo, Curitiba and Porto Alegre are some of the important Brazilian cities that have pursued serious policies to revitalise their inner cities. In the case of Salvador and Rio de Janeiro, the preservation of the historical centre was the driving force. Del Rio argues that Rio's Cultural Corridor Project was the first one of its kind in Latin America (Del Rio, 1994) but there are evidences that Curitiba started a bit earlier. Nevertheless, it is only recently that more comprehensive programs are being designed and implemented focussing on the heritage and redesign of public spaces. Smaller cities like Nova Iguaçu (Metropolitan Region of Rio de Janeiro) and Santo André (Metropolitan Region of São Paulo) are also pursuing inner city revitalisation programs with similar concerns towards their main shopping streets, the traditional retail sectors and the employment opportunities.

9. Curitiba: pioneering the preservation of architectural heritage in the city centre

Curitiba has gained notoriety due to its environmental achievements but not much is published about the local conditionality and political processes that allowed the city to achieve its present development. For the purpose of this paper I will only highlight the master plan and its linkage with inner city revitalisation (Acioly and Davidson, 1995; IPPUC, 1991;1993; Lerner, 1989). The plan was formulated in 1964 and has gone through several reviews. Its success is associated with but not limited to mayor Jaime Lerner who worked in the master plan team, became president of the agency created to implement it and later the mayor of the city for more than 12 years (71-75, 79-83, 89-92).

The plan had two major concerns: to decongest the inner city and revitalise the urban and architectural heritage situated in this area and to shift the radial concentric growth of the city to a linear growth pattern by introducing an important north-south axis of traffic and transportation, tangential to the inner city, called "Structural Axis." This was a breakthrough which allowed the city to plan and manage an innovative and efficient public transport system in the following years. The 'pedestrianization' of several inner city roads was also part of the strategy in order to make the city core attractive to pedestrians and less friendly to private motor cars. The redesign of public spaces, urban furniture and the strengthening of traditional values were also part of the plan. A special attention was given to visual "de-pollution" of the façade of building and public urban corridors by means of redesign and outdoors and billboards of shops, banks and companies. This was a strategy aiming at the strengthening of the architectural quality of the inner city space and to turn the area visually attractive to pedestrians.

The plan represents a paradox since it contains the same prescriptive character of the traditional master plans that failed elsewhere in Brazil. The notable difference here is that it was carefully implemented, and since then has been under constant monitoring and review by the IPPUC, the Planning and Research Institute of Curitiba, which became the operational arm and think tank of the local government. The zoning defined commercial, residential, industrial and mixed uses linked with the desired population density but left openings for changes in case market response failed to accomplish the desired intentions. The strategy was first to encourage new commercial developments out of the inner city, matching high-density residential areas with commercial activities and linking them with the availability of public transport. The principle was that the sites must be well served by public transport and the density coefficient would decrease as its distance to the public transport network increases. The municipality pursued a policy of land acquisition during and prior the implementation of the transport network so that the local government could guarantee the maximisation of public investments in infrastructure and services, reinforce the densification along the structural axis and guide private sector investments.

In relation to the buildings of historical value that were situated in the inner city, the municipality applied a creative "soft" confiscation mechanism that allowed the transfer of development rights or building potentials (principle of "solo criado") from the sites where they were originally situated to elsewhere in the city, provided that the existing infrastructure and services could cope with the increase of the built up area and higher densities. In the negotiations for preservation, instead of expropriation, the owners could settle a "swoop" with the municipality by donating their property to the municipality in exchange for additional floor area ratios and release of zoning restriction in another land parcel owned by him/her elsewhere in town. On one hand, the municipality safeguards the building heritage and allocates special uses and functions to these buildings such as museums, foundations, training centres, etc. On the other hand, it increases densities elsewhere in the city and provides a good trade-off for the private sector. An automated cadastre and a land information system established in the very beginning of the eighties allows the Municipality to provide very precise information about building coefficient, densities and development potentials of every single plot in the city. In the 1990's, the municipality further strengthened the inner city by stimulating housing developments and creating a 24 hours road concept whereby 44 shops are open 24 hours/day and where the population can find restaurants, bars, pharmacy, bookshops, supermarkets and all sort of shops. The motto is people living and using the inner city will attract more people.

10.   Urban Operations: a Brazilian Urban Management Tool

The transfer of development rights (TDR) was the planning and urban management instrument utilised from the late 1970's onwards by the municipality of Curitiba in order to effectively preserve the architectural heritage and launch a process of inner city revitalisation. Later on, this instrument was officially introduced in the urban legislation of several local governments under the general definition of "solo criado" which separates property rights from the right to build. According to the Brazilian legislation, the "solo criado" is also used as an instrument that allows owners of properties preserved by government acts – for their heritage values – to sell to third parties the development rights of "building potential" which has been restricted by zoning and preservation acts. In spatial terms, it is equivalent to the difference between the total built-up area of the existing building and the area permitted by the zoning where it is situated (Polis, 1996).   It is thus a compensation mechanism against the restrictions imposed on an owner by a higher public interest. The "solo criado" is associated with another instrument called urban operations (*operações urbanas* or *operações interligadas*) which regulates the process of purchase and exchange of development rights in the city as well as the release of land use zoning restrictions through negotiations between local governments and the private sector. One must bare in mind that local governments in Brazil possess a high degree of political, administrative and fiscal autonomy.

TDR is defined by Johnston and Madison as "the sale of one parcel's development rights to the owner of another parcel, which allows more development on the second parcel while reducing or preventing development on the originating parcel" (Johnston and Madison, 1997). According to Giordano, TDR was first introduced in New York City in 1916 (Giordano, 1988; in Johnston and Madison, 1997). The use of TDR always implies that there is a sending and a receiving area which are then subject to density and floor area ratio ceilings. In some cases, the result of the use of TDR is called development credit, which can be sold with or without constraining the density requirements in the sending areas. TDR often leads to more flexibility in planning and the release of land use regulations and restrictions offering great opportunities for local governments to manage the built-up environment in a responsive manner.

The "flexibilization" of zoning and land use regulations through the creation of urban management and planning instruments is becoming popular among Brazilian municipalities. In describing the changes being introduced in the regulations in Campinas, the second largest city in the State of São Paulo after São Paulo city, Klink stresses the increasing popularity of Negotiated Land Use Changes-NLCs (Klink, 1995) used by the municipality to release land use restrictions and speed up the approval for densification and increases in floor area in exchange for developers' and/or land owners' financial contribution. Land use planning and urban management instruments are receiving more attention due to the fact that since 1988 all municipalities with a population above 20,000 inhabitants are constitutionally obliged to formulate and approve an urban development plan.

11.   São Paulo: linking densification, development rights and social housing

As far back as in 1969, a municipal law enabled the municipality of São Paulo to pay with development rights for the costs of land expropriation required to enlarge the most important road of the city - the Avenida Paulista. A more recent legislation (law 10.209 from 09/12/1986) allows the private sector to donate social housing units to the municipality in exchange for increases in density and changes in land use and floor area ratio in their parcels. This is regulated by an urban operation specifically called interlinked operation (operação interligada). A complementary municipal law enforced thereafter linked these operations with a municipal housing fund - FUNAPS - and with the master plan so that these operations become instruments to redistribute the benefits of urban development in a more equitable way. In the early 90's, the municipality of Curitiba established a similar linkage and created a housing fund, which benefited from the resources generated by urban operations. The municipality of Porto Alegre also followed this.

The urban development plan prepared by the municipality of São Paulo in 1991 stressed the principle that the city must fulfil its social function and that the costs and benefits of public investments should be equitably distributed to all citizens. Among other things, the plan pursued the establishment of an efficient urban management system and the maximisation of the existing infrastructure and services through densification mechanisms. Special attention was given to land readjustment, property taxation and partnerships with private sector and community based organisations aiming at the production of social housing. A thorough inventory of housing conditions was carried out which detected 88,000 properties transformed into tenement housing, accommodating 820,000 families with an average of 10-12 families and 40 people per building who shared toiled and washing facilities (Moreira, 1993). Nearly half was situated in the inner city. A specific program was designed and implemented to tackle this problem.

Although some innovative rehabilitation experiences were carried out based on self-management and self-help-housing principles, they were too limited to cause any considerable effect in the overall conditions of the inner city. Moreover, the program faced strong resistance from the owners of these buildings, which obliged the municipality to pursue lengthy negotiations and/or expropriation actions. However, the use of urban operations provided the municipality of São Paulo with the opportunity to seek policies of densification and urban revitalisation. This is a potential that has been explored by several Brazilian municipalities and the analysis of the practice during the 90's will show whether it can become an efficient urban revitalisation tool suitable to tackle inner city problems. The densification strategy and the use of TDR allows the maximisation of public investments and the established infrastructure and stimulate interesting negotiations and public-private partnerships. Potentially, it may help to develop and strengthen residential use in the city centres which means in practice the revival of the city core and the realisation of the compact city approach.

The experiences with TDR in São Paulo and Curitiba have been promising and the dissemination of the procedures has influenced other large Brazilian municipalities like Porto Alegre and recently Rio de Janeiro. Based on the argument that there are strong relationships between the production of built-up space, densification and demand for infrastructure, the São Paulo plan advocated the increase of building densities in residential and non-residential uses (Acioly and Davidson, 1996; PMSP, 1992; 1992a). In order to assess the capacity to increase densities in the urban fabric, a series of indicators were developed which established the relationship between the absorption capacity of the infrastructure and services in place and the built-up area. The local government innovated by linking the increase in building densities with social housing production through urban operations giving it the name of "inter-linked operations." Fifty-four proposals generated 4,088 social housing units. In 37 cases, the municipality received 1 m^2 of social housing for each 2.44 m^2 of residential space provided as additional development right. In other 16 operations involving commerce/service uses, the exchange ratio was 2.29 m^2 of TDR to 1 m^2 of social housing (Acioly and Davidson, 1995; PMSP, 1992;1992a). An analysis made by Camargo shows that since the law 10.209 was enacted in 1986, the municipality materialised 58 inter-linked operations. The counterpart private sector contribution totalled 4,314 housing units. In total, 321 inter-linked operations were registered from which 152 were in phase of analysis, 59 were rejected and the others renounced before their assessment was made by the Municipality (Camargo, 1994).

The large-scale urban operation called Anhangabaú offered an increase in 150,000 m² of built-up area through TDR in a top location at the heart of the inner city. However, the high costs charged to potential developers as private sector counterpart contribution - fixed at 60% of the market value of the land parcel - did not attract the amount of investors expected by the Municipality. After it was renamed City Centre Operation (Operação Centro), the municipality launched a review of the developers' financial contribution and made public its intention to strengthen policies towards the inner city. Estimates made by then indicated that the operation would raise US $ 30 million through regularisation of the existing constructions and nearly US $ 32 million through the sale of development rights (Camargo, 1993; Junior, 1994). The pressure exercised by an inner city-based NGO resulted in a number of changes in the legal and planning frameworks concerned to the inner city in order to create a conductive environment for increasing private sector participation.

A non profit civil society organisation was founded in 1991 by 70 enterprises among banks, large corporations, professional associations, individuals and institutions that are based or related to the inner city. It is called "Associação Viva o Centro (Association Live the Centre). The mission of "Viva o Cento" is to reverse the process of decay and mobilise attention and resources for inner city revitalisation. Its goal is to make a linkage between civil society and the established public power represented by the local and state (provincial) governments for the purpose of inner city revitalisation. The association articulates partnerships, formulate studies and diagnosis, organise seminars, workshops and debates to disseminate ideas and approaches in urban revitalisation, and exercises legitimate pressure on local government in favour of the inner city. Since the municipality of São Paulo had no specific department or agency concerned specifically with the inner city, Viva O Cento stimulated and managed to get the establishment of a municipal agency specifically concerned with the inner city called ProCentro. As a member of the executive committee of ProCentro Agency the association manages to further exercise its plea, pressure and advocacy for inner revitalisation. At present, a series of public private partnerships have been forged via the association and particularly important is the establishment of "Local Action" Program in 1995. It is a citizenship initiative aiming at the improvement of quality of life in the inner city. Every "Local Action" is an independent entity and once its established, it signs a formal agreement with the association where objectives, outputs, roles, responsibilities and resource allocation are all spelled out. A 'Local Action' is geographically bound and is formed by different actors situated in the area

and who are particularly interested to resolve tangible and identifiable problems e.g. public safety' the cleansing and garbage collection; public lighting; the pavement of the square, etc. There are more than 20 'Local Action' projects finance by resource assembled by private sector agents.

In the beginning of its existence, the 'Viva o Cento' association contracted a planning team who made a comprehensive analysis of the situation, prepared a plan and showed how similar situations were tackled in other cities of the world. This was widely disseminated. The association is convinced that the inner city revitalisation will proceed from private sector investments. It advocates the strengthening of the present leisure, culture and tourism attributes of the inner city. It proposed to modify the floor area ratio (FAR) from 4 to 6, allowing land readjustment mechanisms, merging of land parcels and stimulating higher densities and maximisation of existing infrastructure and land parcels. The modifications were enacted by a decree of the municipality of São Paulo. It also advocates a systematic compensation through TDR to owners of buildings preserved by their historic values. The intention is to strengthen the quality of architectural and urbanistic imago of the inner city prior to increment housing developments. There is hope that the involvement of the private sector in the inner city revitalisation will finally recapture its vitality and crucial role within the metropolitan setting of Greater São Paulo.

It is worth to recall some of the findings of the first studies undertaken by Viva o Centro right after its founding in 1991. It showed that São Paulo's inner city is economically ebullient but loosing enterprises. It has a powerful and diversified commerce but getting suffocated by street vendors. It has sufficient transportation facilities but no space in sidewalks for pedestrians; it is full of cultural and leisure facilities but they are not used beyond the evening hours; it is a residential area but with an accelerated loss of population. The association came up with a key conclusion that the inner city was not a problem but a solution. The magnitude of the solutions and actions just confirmed the scale and scope of influence of the inner city within a metropolitan region (Barreto, 1997). It is interesting to note that many restrictions were detected in the planning legislation of 9 years ago. For example, the zoning ordinance did not allow building beyond FAR=4 and prohibited garages because it presumed that the inner city was already saturated and could neither absorb more people, vehicles and activities nor large real estate developments. It was found that many of the businesses and firms who decided to leave the inner city based their decisions on these restrictions and the existing constraint for circulation and private vehicle accessibility of their clients, presidents and top management and the delivery of goods. It took 6 years for the association to change legislation and to create the 'urban operation City Centre' in 1997. At this moment, there is a handbook illustrating the changes referred to above in the zoning, FAR, procedures for land merge and the TDR mechanisms applied to real estate properties that have a historical value. There are a number of on-going refurbishment of large buildings that previously housed state agencies (Electricity Light Company, National Post Office headquarters, etc.) and many actions are undertaken to increase 'pedestrianization ' and to introduce amenities that will make the inner city more attractive for continuous use.

12.   Rio de Janeiro: recapturing spatial values to foster integrated revitalisation

Rio's inner city also plays a crucial role in a large metropolitan region that involves 16 municipalities and nearly 10 million inhabitants. The inner city includes the CBD and many old nineteenth century districts and a mix of formal and informal small-scale businesses, shopping, leisure, cultural and entertainment facilities. It has gone through radical restructuring through which old quarters and a building stock dating from colonial times were demolished in order to give space to boulevards and broad traffic avenues, resulting in the displacement of a large number of low-income families. Some of the oldest neighbourhoods of the city are still intact and encroached within high rise

developments that characterise the CBD where the major banks and financial institutions' headquarters are situated. The bohemian quarters, traditional bars and sites that have been eternalised by some of the best Brazilian music are also situated in the area. Pinheiro and Del Rio argue that about 2 million people use the streets of the inner city historical core (Pinheiro and Del Rio, 1993) meaning that a significant population actually does shopping and business, and makes use of the facilities and services if offers during the day.

In 1979, a new approach to development control regarding the preservation and redevelopment of the inner city historical core was gradually being introduced within the municipality of Rio de Janeiro by a group of urban planners and architects from within the local government (Pinheiro and Del Rio, 1993).   The approach materialised in January 1984, when a municipal law established the Cultural Corridor as a special zone of the historical centre of Rio de Janeiro, which preserved 1300 buildings. The Cultural Corridor project was officially born. For the city, the project represents a breakthrough in urban development policies, which reversed the redevelopment tendency (and demolitions) that distinguished previous urban interventions in the city core.

An executive group was established to supervise and apply the legal framework of the plan. A technical project office (TPO) was created in order to plan, manage and co-ordinate the implementation of the project and gradually became a quasi-public agency subordinated to the Municipal Secretariat of Culture (Municipality of Rio, 1985; Pinheiro and Del Rio, 1993). The TPO provided owners, public agencies and private sector entrepreneurs with advice on a number of issues, from detailed architectural and structural solutions to urban design and planning legislation. TPO kept a continuous liaison with municipal departments and public agencies whose actions and approval were required for the changes introduced in the width of roads, land subdivision mechanisms, zoning and specific regulations designed to guide the development in the historic city core. At times, the TPO had to pursue a persuasive approach within the municipal apparatus in order to mobilise their co-operation and understanding about the highest objectives of the project. In the 1990's, following the decentralisation trend of the Municipality of Rio de Janeiro, a downtown sub-municipality was created and this strengthened the streamlining of planning and urban management decisions that directly affect the historical inner city core and the consolidation of the project. This is reinforced by the appointment of the Cultural Corridor's project co-ordinator to a top position in the downtown sub-municipality.

The basic approach of the project was to make a thorough inventory of the city fabric and the building stock and pursue the revitalisation of the area through the preservation of its uniqueness and character reflected in the buildings, façades, architecture and urban spaces in a large urban area of nearly 130 ha. The Cultural Corridor managed to recapture the historical values of places and buildings and provide the inhabitants, owners and entrepreneurs with the necessary guidelines and instruments to preserve and renovate their properties according to adopted principles. A manual was produced and disseminated which provided detailed guidelines for internal and external renovation, refurbishment and re-use of the built-up structures. As a trade-off, it provided urban property tax exemption and specific rental arrangements to those owners or occupants of preserved buildings. It also formulated a set of urban development control mechanisms to regulate the alignment of buildings and land subdivision, which were enacted by municipal decrees. These decrees provided the project with the essential legal back up to pursue its mission and achieve its objectives. The project focused on physical rehabilitation and focussed much less on economic revitalisation. It assumed that by preserving the character and uniqueness of the building stock it would strengthen the vitality of small-scale commercial enterprises and the retail sector that were the traditional occupants of the area and major providers of jobs and income generation opportunities. Nevertheless, the project succeeded to achieve important objectives:

- it managed to strengthen the role played by small-scale commercial enterprises in the local economy by providing them with the opportunity to remain in the area substantially improved by public investments. This triggered private investments in building improvements;
- physically, it managed to recapture the symbolism of the inner city core and the architectural values of places and buildings which helped to mobilise public opinion;
- it gathered support to urban heritage preservation by involving community groups, small business associations and the press, which greatly helped to disseminate the project's objectives and its success;
- it managed to establish a unique legislation governing the repair, renovation, renewal and use of the preserved artefacts;
- it mobilised municipal agencies directly and indirectly related to the problems and solutions in the historical inner city core;
- the project reinforced the 'pedestrianization', interrupting car traffic in many key roads, especially in those characterised by intensive shopping and commercial activities;
- it brought forward innovative urban designs and redevelopment ideas, which came to be realised years later in the context of Urban Revitalisation - Rio Cidade program e.g. Praça Mauá, Praça Quinze, etc.

However, there were shortcomings. The case per case approach consumed too much time in negotiations with owners and their architects, a fact that obstructed the development of the project. The technical negotiations and political mediation within the municipal apparatus also demanded continuous liaison between the TPO and municipal departments, government agencies, public and private entities; and it was not always possible for the TPO to convince officials and decision makers about the effectiveness of the revitalisation approach. Another aspect, which needs to be well assessed, is to which extent the design guidelines and aesthetic judgement remained discretionary and abstract regarding the final outcome.   The project never managed to overcome institutional and legal bottlenecks that impede housing developments in the inner city core. Only recently, this gained priority with the creation of municipal Urban Development Agency (ADU-Agencia de Desenvolvimento Urbano) to accelerate the process of urban revitalisation. The city centre is a priority of the ADU and the main idea is to create conditions for the private sector to invest in the area.   Real estate developers responded positively to this initiative since it is argued that there is demand for middle class housing in the inner city core. The intention is to halt the continuous decrease of population in the centre. There were 61,000 residents in the centre in 1980 but, in 1991, this number decreased to 49,000. While in the rest of the city 70-80% of the land is residential use, in the centre it is only 22% (O Globo, 30/03/97). The municipality is presently engaged in the review of development control regulations and decrees which guide urban development and construction in the inner city in order to assess where and how flexibility should be imposed. The city is also engaged in application of TDR in an interlinked operation, which certainly will provide lessons and opportunities for further densification and development mechanisms in the inner city core.

13.   Conclusive Remarks.

The Brazilian experience with urban revitalisation shows that some innovative urban management instruments are helping the municipalities to pursue flexible land use planning and negotiations with private sector developers in order to increase efficiency in utilisation of available land and infrastructure. These are being transformed into revenue regeneration instruments and redistribute tools as they create a financial basis to invest in housing and infrastructure in poorer areas of the city. Densification is being systematically pursued and that raises the question whether a compact city - with its diversity, mixed land uses and high density - will be capable to reverse the trend of peripheral development and horizontal city expansion towards green fields. Local governments are rediscovering housing in the city centre as a way to increase population and investments in the city core. Inner city revitalisation emerges as a potential policy alternative, which will help to maximise

resources, space, infrastructure, services and the wide range of opportunities offered by the existing built-up environment. Inner city revitalisation is capable to foster partnerships and an overall urban environmental improvement in the city core and helps to preserve the roots of cities. Nevertheless, the environmental impacts of densification - air pollution, noise, traffic congestion - need to be addressed by further research in order to assess whether or not a sustainable city will emerge out of these processes. This remains to be seen.

Considering the high degree of municipal autonomy detained by Brazilian local governments, it is surprising to see that the "agency approach" to revitalisation has so far not been realised (despite the initiative with TPO in Rio de Janeiro's project). The lessons from European and North American cities are not being replicated. Another aspect worth to mention is that not much attention has been paid to local economic development as in the cases of Birmingham, Glasgow and Rotterdam so that an integrated revitalisation approach could be realised. The approach carried out in Rio, Sao Paulo and Curitiba is more oriented to physical rehabilitation. The programs assumed that this would trigger private sector investment and foster local economic development in the inner city. This assumption needs to be carefully assessed. Indeed, there seems to be a need to establish complementary programs, which can make the link between physical and economic revitalisation.

A more entrepreneurial approach is also in need and the experiences with TDR may provide municipalities with the necessary skills to deal with the private sector in a more collaborative manner. Despite the trend to enable markets to work and increase private sector participation in inner city revitalisation, all cases described in this paper show that without public sector investment and the leading role played by municipal governments, urban revitalisation will fail to accomplish meaningful results.   A collaborative model and public-private partnerships seem to offer the required enabling tools to foster a participatory process through which all stakeholders from the public, private and community sectors play a role. Without this participation it is likely that revitalisation will be divorced from the interests and motivations of key actors in urban development and consequently not be able to achieve the ownership and commitment required to successful revitalisation efforts.

14.   Bibliographic References

Acioly Jr., C.C., Edelman, D. and Paul Procee (1997). "Sustainable Urban Development and the Urban Poor in Rio de Janeiro", paper prepared for the Conference 'The Challenge of Environmental Management in Metropolitan Areas', University of London, 19 and 20 June 1997. Mimeo. pp. 14.

Acioly Jr., C.C. and Forbes Davidson (1996).   ""Density in Urban Development ". Building Issues, No. 3, Volume 8. Sweden, Lund University, Lund Centre for Habitat Studies. 24 pp.

Alterman, R. and Göran Cars, eds. (1991). "Neighbourhood Regeneration: an international evaluation". London, Mansell Publishing Limited. pp.230.

Berry, J., McGreal, S. and Bill Deddis, eds. (1993). "Urban Regeneration: property investment and development". London, E & FN SPON, pp. 350.

Camargo, M.I. (1993). "Fracasso de Bilheteria", São Paulo. Revista Construção, no.2371. pp. 8-11.

Couch, C. (1990). "Urban Renewal: theory and practice", London.

Cowan, M. and Lindsay, C. (1993). "City Centre Regeneration in a Regional Context: the Glasgow experience in the 1980s", in Berry, J., McGreal, S. and Bill Deddis, eds. Urban Regeneration: property investment and development. London, E & FN SPON, pp. 174-192

Dankfort, J.M.M. (1994). "Renovacao Urbana em Areas Portuarias/Estudo de Caso: Rio de Janeiro". in Cadernos do Patrimonio Cultural, No. 4/5. Secretaria Municipal de Cultura, Departamento Geral de Patrimonio Cultural, Rio de Janeiro. pp. 96-116.

Del Rio, V. (1994). "O Modelo de Revitalizacao Urbana e o Caso de Baltimore", in Cadernos do Patrimonio Cultural, No. 4/5. Secretaria Municipal de Cultura, Departamento Geral de Patrimonio Cultural, Rio de Janeiro. pp. 31-40.

Drakakis-Smith, D.W. (1976). "Urban Renewal in an Asian Context: a case study in Hong Kong". Urban Studies, No. 13. pp. 295-305.

Daniels, R. (1991). "Rotterdam, city and harbour", in Cities, november 1991

DROS-Combined Services for Town Planning and Urban Renewal Rotterdam (1989). "The Inner City". Rotterdam, DROS. pp. 12.

Frieden, B. and L. Sagalyn (1989). "Downtown, Inc.: how America rebuilds cities". Cambridge, MA. MIT Press.

Giordano, M. (1988). "Over-stuffing the Envelope: the problem with creative transfer of development rights", in Fordham Urban Law Journal no. 16. pp. 43-66.

GJMC-Greater Johannesburg Metropolitan Council (1997). "The Johannesburg Inner City Renewal Strategy. The Golden Heartbeat of Africa". Johannesburg, GJMC. pp. 19.

Hanley, N. (1993). "Urban Renewal and Environmental quality: improving performance", in Berry, J., McGreal, S. and Bill Deddis, eds. Urban Regeneration: property investment and development. London, E & FN SPON, pp. 125-132.

Hardoy, J.E. and Margarita Gutman (1991). "The Role of Municipal Government in the Protection of Historic Centres in Latin American Cities". Environment and Urbanisation, Vol. 3, No.1, April 1991. pp. 96-108.

IPPUC-Instituto de Pesquisa e Planejamento Urbano de Curitiba (1991). "Curitiba em Dados 80/90", Curitiba, IPPCU, 163 pp.

IPPUC-Instituto de Pesquisa e Planejamento Urbano de Curitiba (1993). "Zoneamento e Uso do Solo", Curitiba, IPPUC, 25 pp.

Johnston, R.A. and Mary E. Madison (1997). "From Landmarks to Landscapes: a review of current practices in the transfer of development rights", in American Planning Association Journal, Vol. 63, No. 3, Summer 1997. pp. 365-377.

Junior, O. (1994). "Melhor do Que Ontem". Entrevista Marco Antonio Ramos de Almeida. São Paulo. Revista Construção, no.2407. pp. 8-10.

Klink, J. (1995). "Negotiated Land Use Changes. an advance in planning practices or a second best instrument?". in Trialog no. 46; pp. 34-39.

Lerner, J. (1989). "Um Sistema de Transporte Urbano Integrado", in Revista Oficial del Colegio de Arquitectos de Chile, Oct-Dec, 44-51 pp. Chile.

Lloyd, G. and S. Black (1993). "Property-led Urban Regeneration and Local Economic Development", in Berry, J., McGreal, S. and Bill Deddis, eds. Urban Regeneration: property investment and development. London, E & FN SPON, pp. 144-160.

Moreira, T.A. (1993). "A Public-Private Partnership Approach in Inner City Renewal in São Paulo". General lecture at the Institute for Housing and Urban Development Studies, Rotterdam, 14-4-93.

Municipality of Rotterdam (1993). "Binnenstad Rotterdam: beleidskader voor verdere verdichting en beheer 1993-2000". Rotterdam, Van de Rhee. pp. 57.

Municipality of Rotterdam (1994). "The Rotterdam Inner Cities Programme; the European Community and Economic and Social Renewal in Rotterdam". Final report to the European Commission, Department for Physical planning, Economic Development and European Affairs, Rotterdam.

Municipality of Rio de Janeiro (1994). "Areas Portuarias" in Cadernos do Patrimonio Cultural, No. 4/5, 1994. Secretaria Municipal de Cultura, Departamento Geral de Patrimonio Cultural, Rio de Janeiro. pp. 136.

Municipality of Rio de Janeiro (1985). "Como Recuperar, Reformar ou Construir seu Imóvel no Corredor Cultural". Rio de Janeiro, RIOARTE and IPLANRIO, Prefeitura da Cidade do Rio de Janeiro. pp. 82.

Pinheiro, A.I. and Del Rio, V. (1993). "Cultural Corridor: a preservation district in downtown Rio de Janeiro, Brazil". TDSR, Vo. 4, no. 11. pp. 51-64.

PMSP-Prefeitura Municipal de São Paulo (1992). "Participação da Iniciativa Privada na Construção da Cidade", in Suplemento do DOM-Diário Oficial do Município de São Paulo, no. 243, Ano 37, 24 December.

PMSP-Prefeitura Municipal de São Paulo (1992a). "Infrastrutura Urbana e Potencial de Adensamento", in Suplemento do DOM-Diário Oficial do Município de São Paulo, no. 243, Ano 37, 24 December.

Pólis (1996). "Políticas Publicas para o Manejo do Solo Urbano: experiências e possibilidades". Anais do Seminário, Numero especial, no. 27. São Paulo, Instituto Polis. pp. 198.

Priemus, H. and Gerard Metselaar (1992). "Urban Renewal Policy in a European Perspective: an international comparative analysis". Housing and Urban Policy Studies No. 5, Delft, Delft University Press. pp. 68.

Serageldin, I. (1997). "Solving the Rubik's Cube: cultural heritage in cities of the Developing World", in Urban Age, Vol. 4, No. 4. pp. 5-7.

TCPA-Town and Country Planning Association (1996). "Planning for Sustainable Development", edited by A. Blowers. London, TCPA, Earthscan. pp.239.

Wannop, U. (1990). "The Glasgow Eastern Area Renewal (GEAR) Project: a perspective on the management of urban regeneration" in Town Planning Review, 61 (4). Liverpool University Press. pp. 455-474.

Wook, C. (1994). "Local Urban Regeneration Initiatives: Birmingham heartlands", in Cities 11 (1). Butterworth-Heinenmann Ltd. pp. 48-58