

## **Analysis of the Outputs and Suggestions for the Report on “ Poverty Oriented Strategies for Urban Rehabilitation”**

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This brief paper just presents some of the findings encountered in reviewing the TOR of the assignment, the final draft report produced by Emiel Wegelin, the Spanish report by E. R. Villaescusas entitled “Smartlands: saturation of the city’s urban tissue: a sustainable urban development option”. It also presents suggestions to improve the final output to be presented by E. Wegeling to the IADB on behalf of IHS.

### **Objectives TOR**

1. Identify, analyse, propose economic rationale for UR<sup>1</sup> in inner cities in LAC<sup>2</sup>
2. Identify and analyse funding UR
3. Identify and propose anti-gentrification strategies

### **Summary of the Comments made by E. Rojas on Emiel’s draft final report**

1. Expand report on economic benefits of UR
2. Mention impacts of informal activities on urban economies in LAC
3. Expand cost differentials UR versus expansion on green fields, more figures
4. Include table showing arguments and measurable benefits of UR
5. Include a box revealing issues dealt with in (Newton, 1972) and (Rypkema, 1998)
6. Detail institutional arrangements and table indicating types of arrangements and their applicability of LAC
7. Discussion on private investments
8. Organise conclusion with table of “do and don’t” in UR
9. Systematisation of risks and mitigation in a box, summarising (Lindfield, 1998)
10. Present a box on subsidies and applicability to LAC
11. More elaboration on gentrification and expand literature references
12. Include annexes with summaries of case studies in form of boxes emphasising economic rationale, institutional and financial arrangements.
13. Adjust report and identify points with Rodriguez Villaescusa’s report<sup>3</sup>.

### **Brief comments made by C. Acioly on Villaescusa’s report**

The report focuses on the (re)development of “smartlands” or the replenishing of serviced vacant land that for different reasons remained undeveloped or has become derelict. In his introduction, Villaescusas accepts the advantages of compact cities arguing about the negative externalities that low-density peripheral and suburban developments produces. He argues that local governments are opting for solutions of compaction that result into the creation of

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<sup>1</sup> UR stands for Urban Rehabilitation

<sup>2</sup> LAC stands for Latin America and Caribe

<sup>3</sup> Eduardo Rodriguez Villaescusa (2002). “Smartlands: Saturacion del Tejido de la Ciudad: una opcion sostenible de desarrollo urbano, Barcelona, Mimeo, pp. 102.

sub-centres complementary to the traditional inner cities<sup>4</sup> and consequently creating new ‘centralities’ and a “policed” metropolitan agglomerations<sup>5</sup>.

Behind this trend is the motivation of city governments to provide services that will strengthen the image of change and modernisation while recapturing parts of the urban tissue for new uses and functions. The development programmes are commonly triggered by urban deficiencies such as lack of housing, scarcity of commerce, lack of space for tertiary activities, economic restructuring – from industrial cities to servicing cities – and cultural and tourist re-orientation just to mention a few. *“Flagship projects are closely associated to this model of urban consolidation and UR that are usually designed by internationally renown architects like Norman Foster in Nimes, Frank O. Ghery in Bilbao; Richard Rodgers, Rafael Moneo, Renzo Piano and Arata Isosaki in Berlin, Renzo Piano in the Kop van Zuid” (my comments).*

Villaescusas states that urban renewal (renovacion urbana) is on top of the urban political agenda and argues that the “urban project” is the operational instrument that makes possible the transformation of the zone of the city subject to UR. The urban project is closely associated to terms like ‘metropolitan agglomeration’, ‘city-region’, ‘diffuse city’ which has turned obsolete ‘master plans’, ‘structure plans’ and ‘general municipal development plans’. He argues that the resolution of internal problems of the city demand new forms and more effective type of planning that:

- Links the urban project to a management method or executive directive to urban reconversion;
- Flexibility to deal with a consolidated urban zone;
- Normative adaptation to a financial approach to recapture land rent (not on occupation of agricultural land)

Villaescusas argues that when the urban growth model shifts from peripheral land development growth patterns private developers lack the institutional mechanisms and management and fail to have the necessary public sensibility to deal with UR approaches. On the other hand the public sector needs non-administrative mechanisms to negotiate in a flexible manner and to mobilise resources needed to accomplish the desirable urban transformation.

Despite the historical, physical, geographical and economic peculiarities of each city Villaescusas makes a list of essential elements that define the ‘urban project’ in today’s cities:

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<sup>4</sup> According to Villaescusas, the Rockefeller Center in New York (1929), developed on a 10 ha land belonging to the Columbia University was the first initiative of this kind.

<sup>5</sup> For this argumentation, see Acioly, C. (1999). Institutional and Urban Management Instruments for Inner City Revitalization: a brief review with emphasis on Brazilian experiences, IHS Working Paper; Acioly, C. (2000) Guided densification’ in Brazil versus informal compactness in Egypt: can urban management provide a pathway to a sustainable city, in R. Burgess and M. Jenks (eds) Compact Cities: Sustainable Urban Forms in Developing Countries, UK, Spon Press. (pp. 127-140).

- Modernisation of the building stock;
- Creation of a new urban form with changes (or not) the overall city structure;
- Adaptation or improvement of existing urban functions;
- A specific and specialised urban management;

According to him, the 'urban project' is the support to urban reform and the "characteristic variables" are the instruments. In his views the 'characteristic variables' are the induct vector of urban transformation:

- Improvement of accessibility (changing the function of main distributor of fluxes of traffic, like Boston and Sabadell);
- Improvement of transport (full physical integration of the zones into the city systems, London and Bilbao);
- Re-use of central spaces in the agglomeration (strengthening traditional centralities, water fronts of Barcelona, Hamburg, Buenos Aires, Rotterdam; transformation of military barracks in Girona; London's docklands; Gare d'Austerlitz in Paris);
- Replacement of productive use by commercial and residential uses (places with concentration of land property, like Bicocca in Milan, La Maquinista in Barcelona, Puerto Madero in Buenos Aires);
- Replacement of popular housing (from low density to high density, higher quality and higher prices like in La Manet in Paris, Ciutat Vella in Barcelona, Cartagena in Colombia);
- The symbolic piece of work (Museum Guggenheim in Bilbao, National library and the social housing complex in Paris Bercy);
- The media identity (Olympic games, international fairs like Barcelona, Lisbon and Sevilla);

Finally, he pinpoints the need to surpass the limitations of public-private cooperation understood as the exclusive collaboration between the public administration and the private capital. There is a need and he argues that several cases are demonstrating that new relations between the public administration and the citizens, interest groups and associations formed by them creates new avenues of public-private partnerships. He makes a difference between modes of participation, financial (private sector) and non-financial ("popular").

The paper presents detail analysis of the following cases:

- Bercy Quarters, Paris;
- Metropolitan project, Bilbao;
- Reform of the river port of Hamburg;
- Euralille project, Lille;
- Docklands, London;
- L'Eix Macia, Sabadell;
- Puerto Madera, Buenos Aires;
- East End reform, Washington.

Positive effects identified in the urban projects mentioned above:

- Cities become attractive for the quality of life it offers;
- Strengthening the position of the cities within its scale of influence: international, regional, provincial
- Surpassing limitations of mono-functionality and the myth of the one-dominant motor-activity
- Transport must be approached beyond the narrow view of accessibility
- Creation of an “effect of saturation” that produce qualitative and quantitative improvements in office space, hotels, education, research, modernisation, etc.
- Creation of a symbol of change and modernity
- Urban quality of the project generating a demonstration effect
- Establishment of levels of governance and scales of decision making adapted to the environment and population
- Establishment of management system and direction of the project that maximises private sector participation
- Projects are administered within the variable time, adjusted to cycles and development processes;
- The master plan is a physical support of a series of actions that are fundamentally strategic
- A certain international event or the location of an activity of multilateral character helps accomplishing an world notoriety.

### **Comments on Emiel’s draft report**

Although kampung improvement can be regarded as an urban renewal operation in a particular development context, in my view, it seems misplaced in a report outlined by the TOR. The emphasis is more on urban revitalisation rather than on slum upgrading. Though it helps to get the economic dimension across.

The report reads nicely but lacks more evidences and references, particularly from the bulk of European inner city revitalisation experiences.

I tend to share Roja’s comment about the need to do a further literature search that could broaden references of such a report.

The value added of Villaescusas’ report lies on the fact that he has detailed the description and analysis of the various cases from which one can take conclusions beyond the ones he makes in the final pages of his report. I would strongly recommend Emiel to make brief boxes of these cases. I do not have the time for this and maybe we could talk to our translator of the Cuban NUFFIC course to prepare such a synthesis box. It would enrich the report very much.

I miss a thorough analysis of the various institutional and management arrangements that could provide examples and possibilities for local governments in LAC. Emiel mentions a few for Rotterdam, Boston, Nijmegen but alike for public-private partnership and privatisation models, Emiel could also make a review of the most common arrangements that could be suitable for LAC.

I also miss a stronger recommendation and reference to solutions, approaches, and warnings suitable to LAC city governments taking into account the unique municipal autonomy that some countries enjoy like Brazil and Colombia, or to countries like Bolivia and Peru, starting comprehensive legally-based processes of devolution and decentralisation.

I remember reading quite a lot of references on gentrification (in Urban Studies, TWPR,??) some years ago and I miss a bit more of references on this, particularly when we take into account a clear indication in the TOR.

The recommendations to IADB could be more worked out and indicate much more assertive directions, suggestions, needs for further research, etc. This could also help IHS to further engage into a follow-up of this report.