

Prospects for Partnerships in Urban Revitalization

Perhaps the most important issue facing the governments of Asia's large cities is how they can make the most efficient use of their built heritage. In this regard, many see Singapore's success as a model to be replicated in attracting commercial investment to Asia's historic urban areas.

While a growing number of cities have already begun revitalization of their historic urban areas at one level or another, most face formidable constraints to success, the most important of which are lack of political will and sufficient investment on the part of both the public and private sectors. Often, these constraints stem from two sources. First, in many cases, only the most financially profitable investments have been pursued, such as revitalization of historic areas with tourist potential. Second, lower-income residents have been seen as having no significant role to play in urban revitalization, and have thus been excluded from such initiatives.

Experience in urban revitalization initiatives thus far indicates that the probability of success is greater if a more adaptive approach than the above is undertaken. Such an approach focuses on maintaining the qualities of each historic urban area that make it unique, such as the traditional resident community, while at the same time adapting both the existing physical structures and the



economic activities undertaken within the historic area to a modern economy (Richards 1952). This approach to urban revitalization supports adaptive reuse of built heritage and reinforces the heritage-related economic base of the inner city, thereby strengthening the capacity of the city to respond to the social and economic needs of its inhabitants. In addition, it supports institutional reform of local government and heritage-related authorities, as well as efficient cultural asset management.

Major challenges to be faced in urban revitalization initiatives include developing working relationships with stakeholders who have already initiated regulatory and institutional reforms, and forming partnerships between private entities and international agencies that participate in urban revitalization projects. The financial and technical constraints of city governments and national agencies form further challenges to implementing such initiatives.

In light of the above, achieving successful urban revitalization partnerships in cases such as Ha Noi, Jakarta, and Manila will require changing the current perspective of entire classes of professionals participating in urban revitalization, including economists, architects, planners, developers, and administrators. The key to such change in perspective is the manner in which historic urban centers are valued. Current policies and practices toward historic urban centers on the part of municipal governments reflect a limited view that recognizes only a small portion of the contribution that these historic centers can make to economic growth and society-at-large. Gearing these institutions to the entire range of opportunities that revitalization of historic urban centers offers requires expanding their understanding of the potential contribution these centers can make to income growth, employment creation, poverty reduction, privatization of services formerly provided by government, and overall economic advance. Such a change in perspective often increases the willingness of these institutions to promote urban revitalization initiatives.

A further key to success in urban revitalization initiatives is forming investment partnerships with the private sector. It goes without saying that appropriate economic incentives such as property tax exemptions and transfers of floor space indexes that promote efficient reuse of historic buildings are necessary conditions for successfully recruiting private sector participation. Less obvious is the fact that the policies put into place and the specific projects undertaken must respond to the budget constraints of citizens and businesses currently active in the historic

urban areas in question, while at the same time promoting a commercial orientation to the conservation and revitalization effort. Specifically, projects based on the private-sector paradigms of build–operate–transfer; build–operate–own; and build, finance, and transfer are likely to constitute the most successful approach, provided that these can be modified to meet the specific requirements of the urban revitalization initiative in question.

Finally, success in such efforts cannot be expected without putting into place a legislative framework that both facilitates the overall revitalization effort and exposes participating entities to market forces. For example, the removal of rent controls is likely to be key, since in many cases these have formed a major constraint to revitalization of Asia's historic urban centers. Open-minded city management that facilitates urban revitalization is likewise essential. Examples of such open-mindedness include not only the putting into place of urban renewal guidelines, but even the provision of model documents and contracts as a means of both providing information as to the intent of city managers, and facilitating the completion of agreements necessary for moving specific projects forward. Such acts signal to investors the intent of city managers to support profitable initiatives that lead to revitalization of the historic urban core. At a base level, this reduces uncertainty and replaces it with investor confidence, the latter being key to stimulating the type of private investment necessary for equipping Asia great cities to meet the globalization and environmental sustainability challenges of the 21st century.

In sum, the ultimate objectives of urban revitalization projects are an expanded potential for economic development, improved quality of life for residents of historic urban centers, and conservation of built and cultural heritage in a manner that promotes income growth. While individual urban revitalization programs must necessarily be tailored to each city's particular circumstance, in order to be successful they are likely include the following components:

- (i) heritage-sensitive zoning and building regulations that stimulate urban renewal and growth in local income and that promote adaptive reuse of built heritage;
- (ii) funding mechanisms for financing the upgrading of public infrastructure and supporting rehabilitation of private housing; and
- (iii) funding mechanisms for supporting overall economic development of the heritage area in question.

Opposition to conservation and rehabilitation of historic urban centers no doubt remains. Landowners, speculators, construction companies, public agencies, and even individual government administrators often have a vested interest in demolition and redevelopment instead of conservation and revitalization, and as a result see “modernization” as more desirable than adaptive reuse of built heritage. Nevertheless, a countermovement to these forces is growing that acknowledges the long-term benefits to society of tradition and historical continuity taking their rightful place within an overall context of modernization.

Finally, as the Ha Noi, Jakarta, and Manila case studies demonstrate, public–private partnerships for rehabilitation and conservation of built urban heritage are key to successful revitalization of Asia’s historic urban centers. This is so because only through the emergence of such partnerships can the public sector increasingly assume its rightful role as facilitator. Conversely, inclusive management of urban heritage on the part of the public sector is an essential prerequisite to the emergence of such partnerships and the increased level of investment to which they lead.

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