

# Urban Regeneration

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**Global Trends in Urban Regeneration**

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# Content

- 1. Urban Regeneration: Definition, case studies and project structure**
- 2. Phases of UR: from scoping to implementation**
- 3. Financing UR**

# Why Urban Regeneration?

Every city has pockets of unused, underutilized land or distressed and decaying urban areas.

These pockets of underutilized assets weaken the city's image, livability, and productivity. Some could also be a health hazard.

They are usually the result of changes in the urban growth, productivity patterns or poor master planning preparation and execution.

# Urban Regeneration Project Structure

- **Urban Regeneration projects contain four phases**
- **Each project phase contains several sub-phases from scoping through implementation**

# Examples of Urban Regeneration



Regeneration of City Core Historic Areas

# Examples of Urban Regeneration



Regeneration of Waterfronts

# Examples of Urban Regeneration



Regeneration of Market Area

# Examples of Urban Regeneration



Regeneration of Brownfield



# Do you want to live here?



- 1. The existence of distressed urban areas and vacant parcels of land can negatively impact a city's investment patterns and economic activity.
- 2. Blight and abandonment of buildings usually has a damage effect.
- 3. Providing land for future expansion is a major challenge for cities.
- 4. Cities can expand on the periphery, but it is more sustainable to utilize the underdeveloped pockets of land within their boundaries.

# Or here?



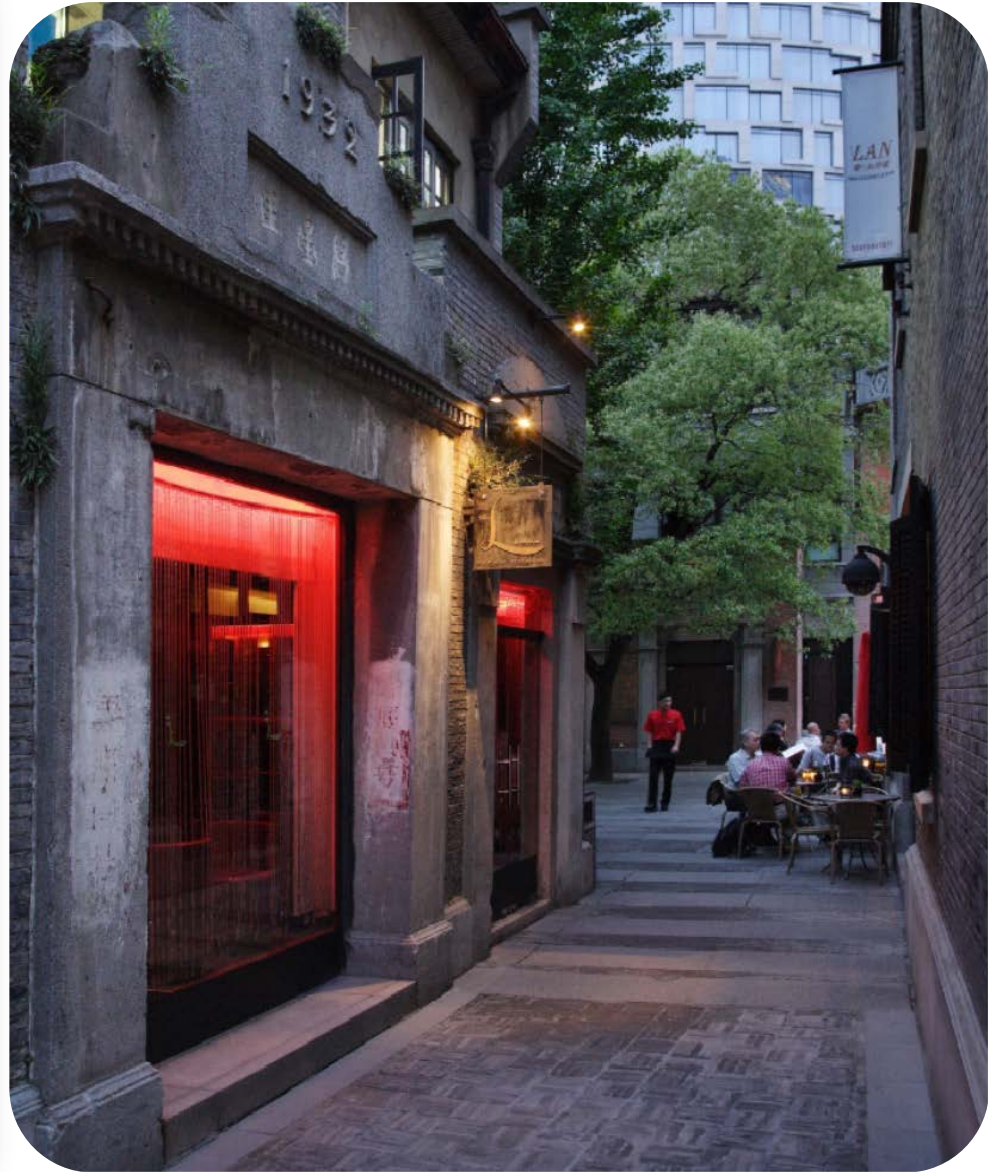
Washington DC. Anacostia

Here?



Shanghai, Xintiandi area

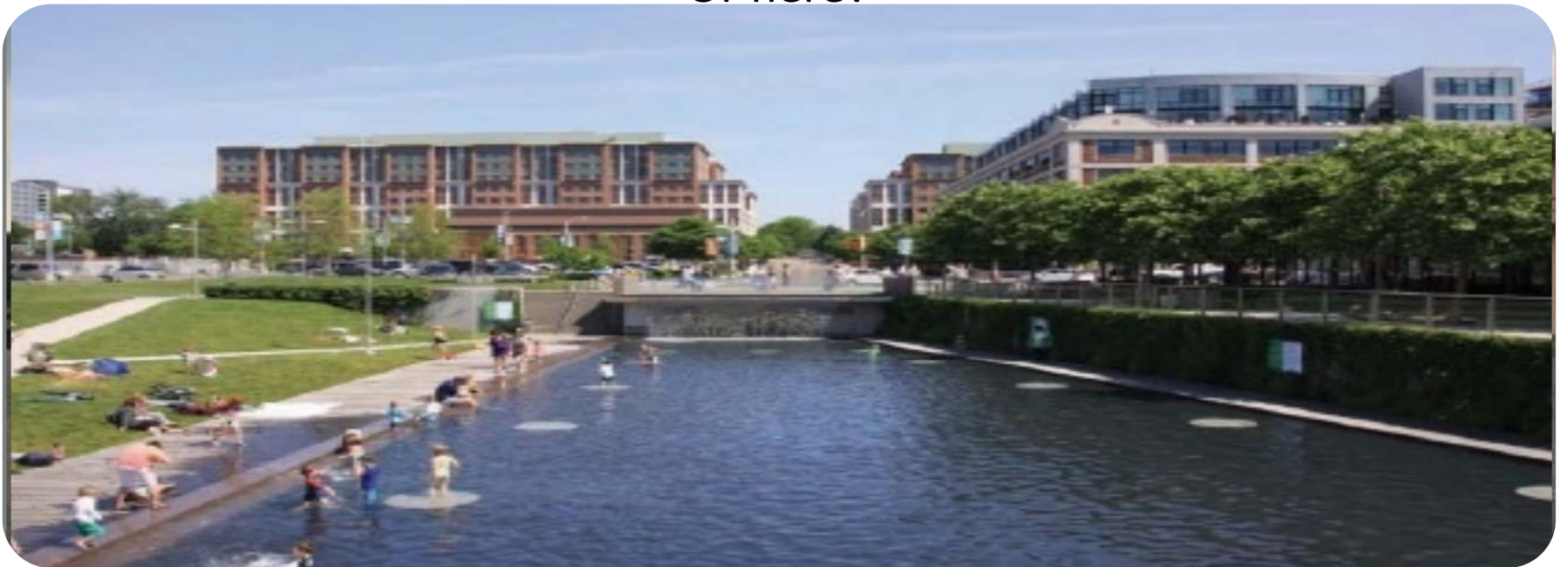
Or here?



Here ?

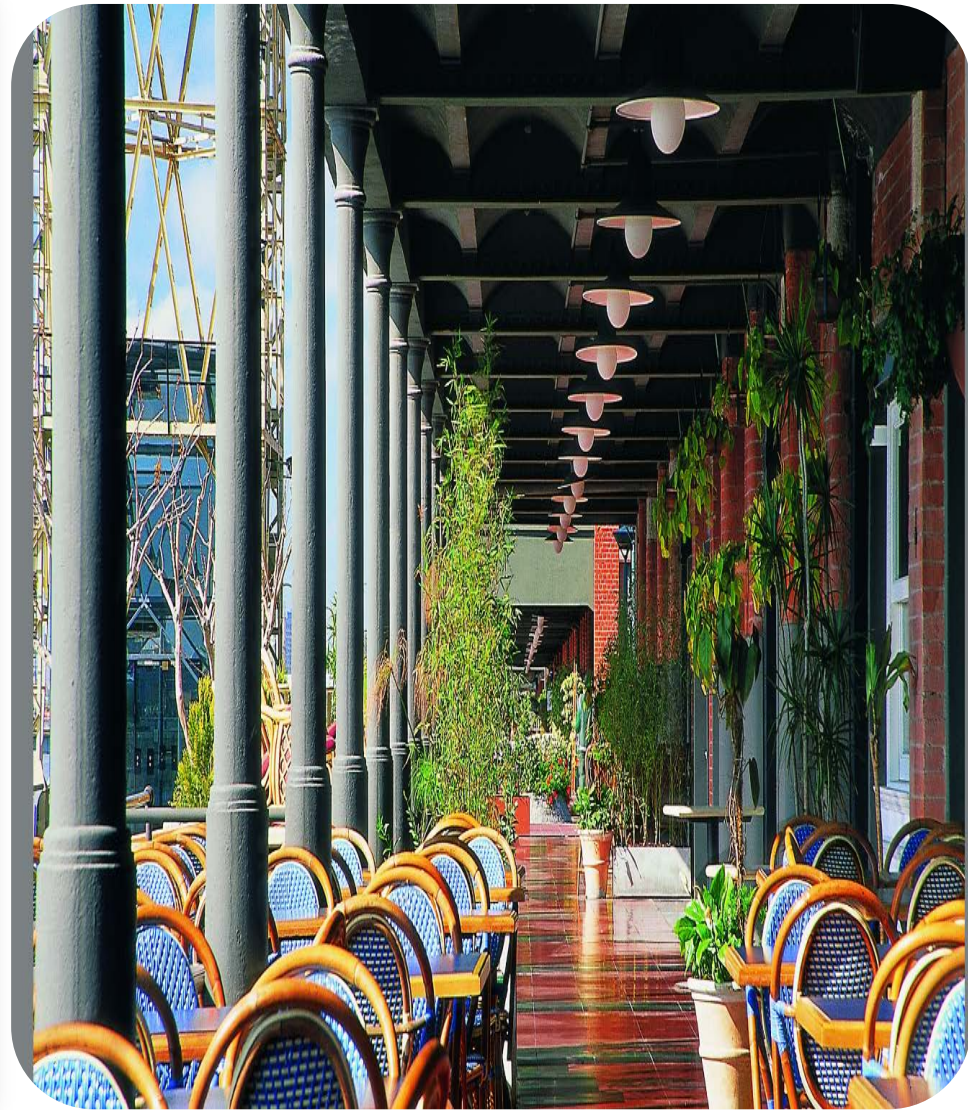


Or here?



Here?

Or here?



Puerto Madero Regeneration Project in  
Buenos Aires

Here ?



Or here ?



Sabermati Riverfront Development Project in Ahmedabad

## REGENERATING URBAN LAND

A Practitioner's Guide to  
Leveraging Private Investment

Rama Amertahmasebi, Mariana Ciriotti,  
Samuel Wahba, and Andrew Altman



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# Case Studies: Locations

<http://urban-regeneration.worldbank.org/>

<https://openknowledge.worldbank.org/handle/10986/24377>

WASHINGTON  
DC

ANKARA

SHANGHAI

SEOUL

SINGAPORE

AHMEDABAD

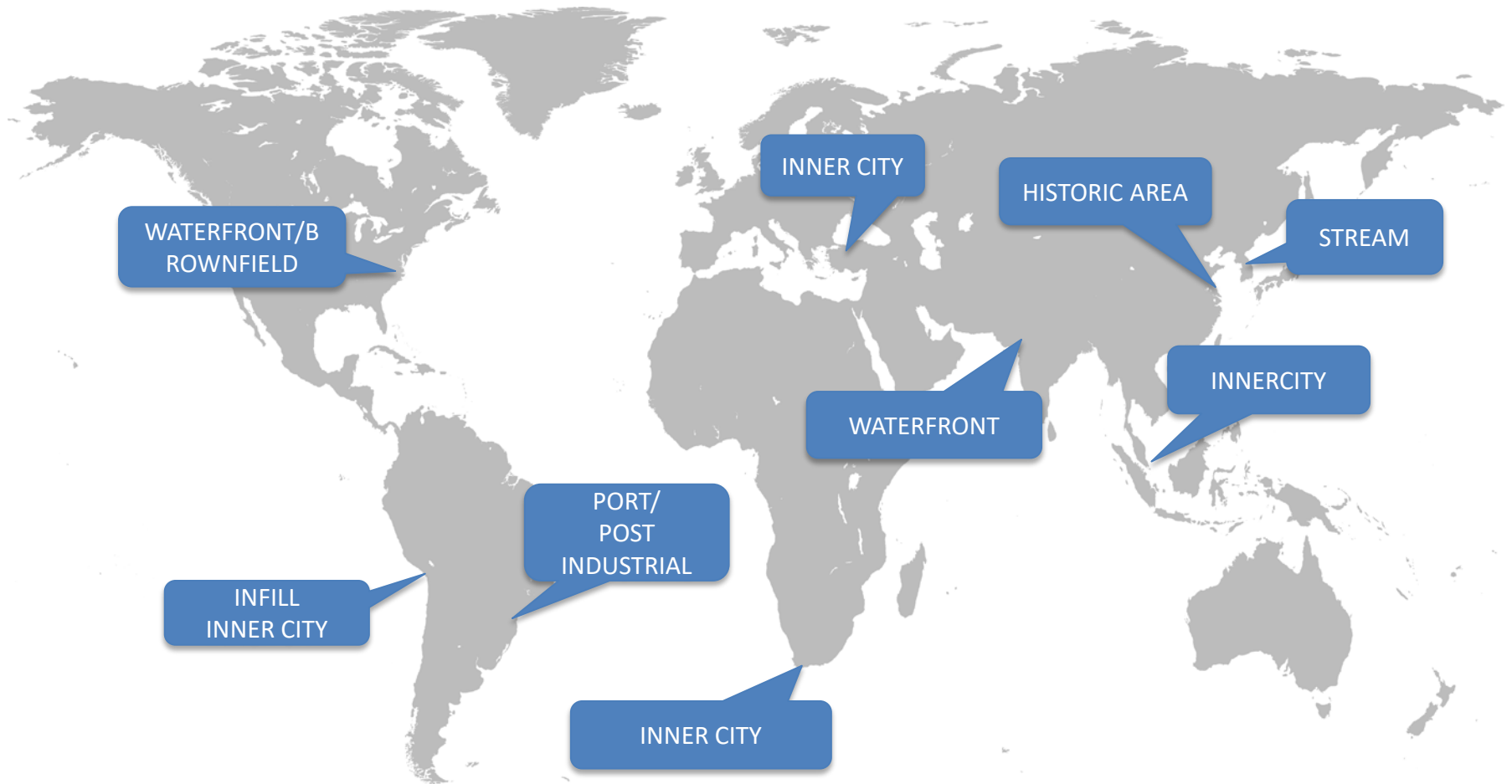
BUENOS  
AIRES

SANTIAGO

JOHANNESBURG

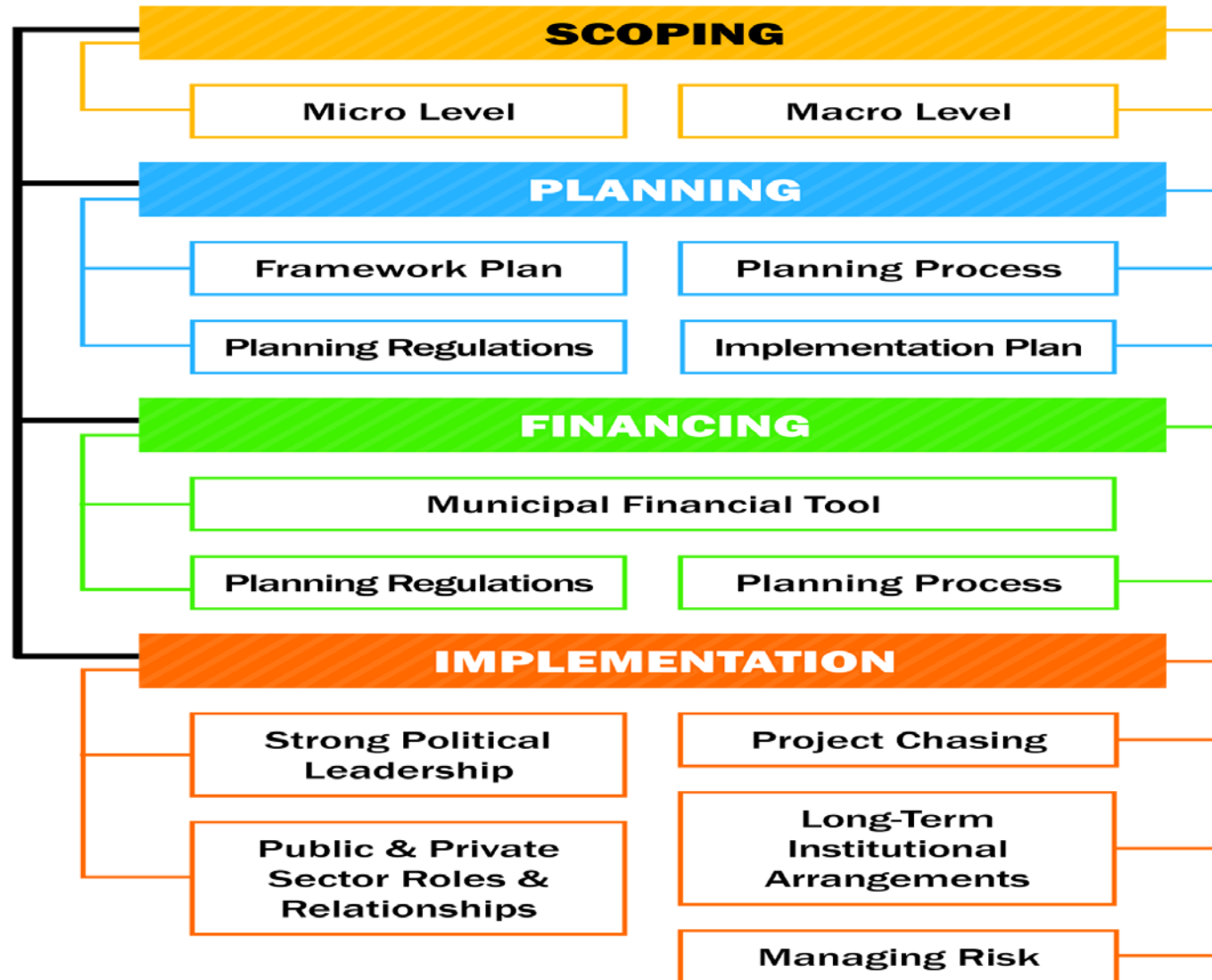


# Case Studies: Typologies





# Urban Regeneration Project Structure



# Scoping

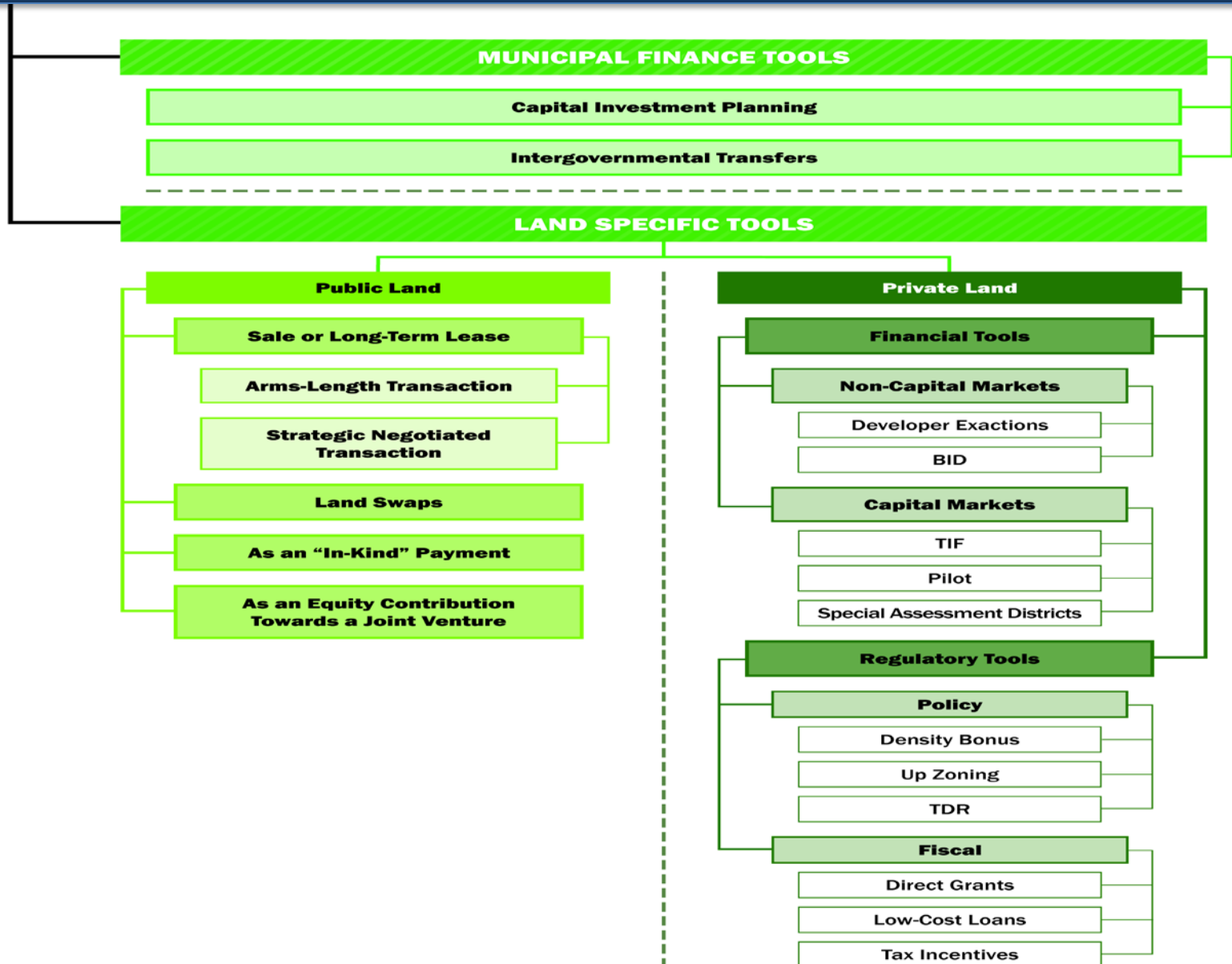
- Scoping is a strategic assessment of a proposed regeneration project.
- Inclusive process of gathering qualitative and quantitative data so that planners can devise a strategic planning process, action plan, and weigh different considerations.
- Occurs at the macro and micro levels.
- Ensures that the project rationale is sustainable and will garner sufficient fiscal, political, and community support for successful completion of subsequent phases.
- Entails
  - Analyzing economic, social, physical attributes
  - Identifying opportunities and barriers
  - Identifying stakeholders and capacity
  - Generating a vision

# Planning

The planning phase comprises:

- Laying the foundation of planning systems, frameworks
- Planning processes for private sector partnership
- Creating a master plan
- Bridging planning and implementation phases for project execution

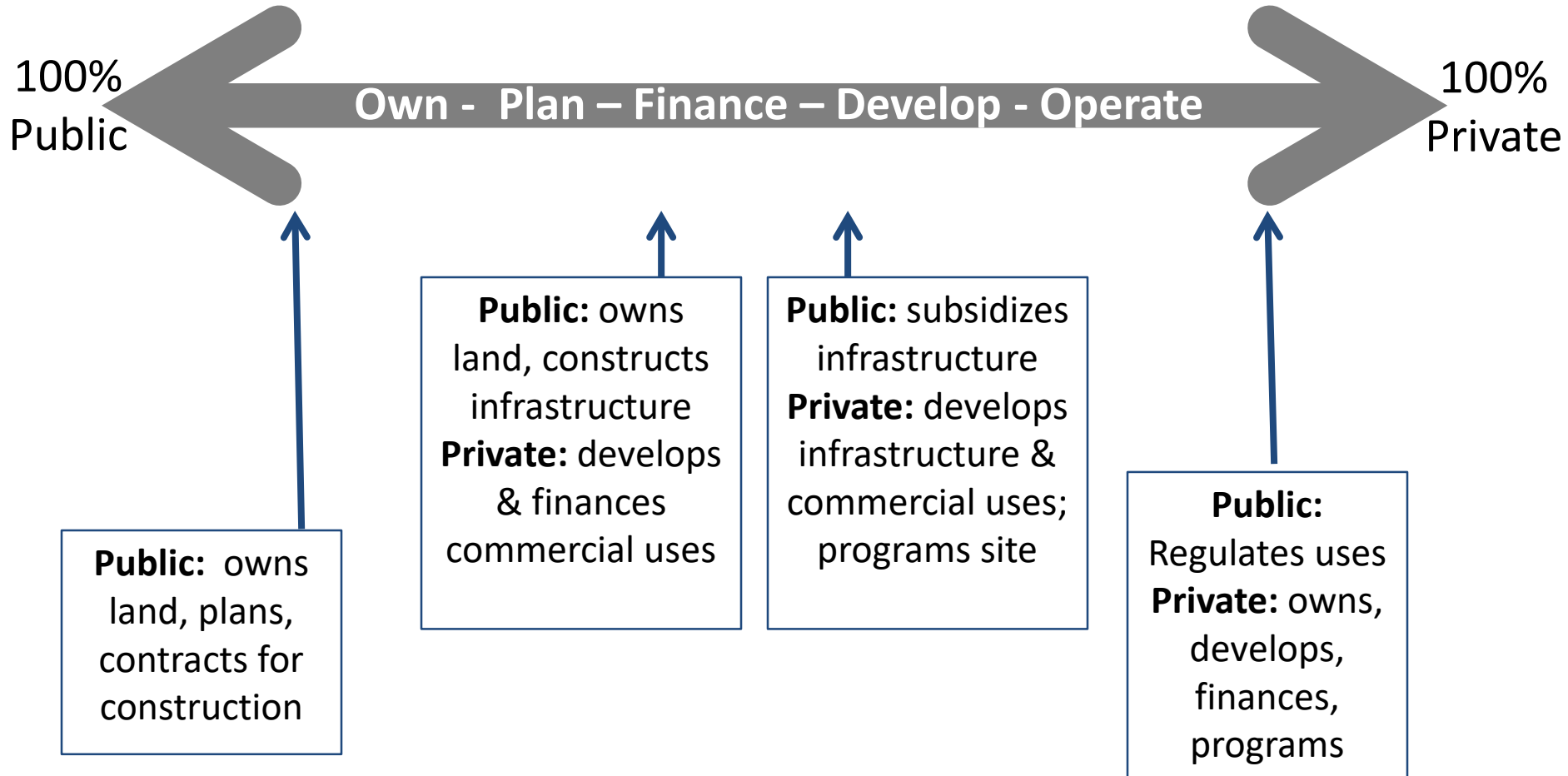
# Financing Urban Regeneration Projects



# Urban Regeneration Financing Tools

- **Engage in capital investment planning:** Links strategic vision, land use, and budget to finance specific initiative
- **Seek intergovernmental transfers, grants:** Conditional or unconditional. Easily affected by natural and economic disasters
- **Capital reserves**
- **Own-source revenue**
- **Borrow from banks or capital markets:** Requires enabling legal, regulatory framework. Creditworthiness
- **Leverage municipal land, assets**
- **Other land-based tools**

# Spectrum of Financing Approaches



# Urban Regeneration Financing Tools

## Financing Tools for Regeneration of **Public Land**:

- **Sale or Long-Term Lease of Municipal Land through Arm's-Length Transaction:** Land is often the valuable asset on municipalities' balance sheets
- **Land Swaps:** Trading municipally for privately-owned land to circumnavigate development restrictions
- **Sale or Long-Term Lease through Strategic Negotiated Transaction:** Used to attract real estate investment for a particular venture
- **Public Land as 'In Kind' Payment for Construction of Public Infrastructure:** Viable for municipal land of greater value than proposed construction (also Public Land as an Equity Contribution Towards a Joint Venture)

# Urban Regeneration Financing Tools

## Financing Tools for Regeneration of Private Land (non capital market):

- **Impact fees:** Contributions from private sector for incremental burden on public infrastructure and services
- **Betterment levies:** Tax/ fee on land benefited by public investment
- **Business Improvement Districts:** Business-led, not-for-profit entity formed to improve a legally-defined commercial area. Businesses within the designated district pay fees towards top-up services, such as security, garbage collection, shared branding.



# Urban Regeneration Financing Tools

## Financing Tools for Regeneration of Private Land (capital market):

- **Tax Incremental Financing:** Revenue-backed financing enables up-front infrastructure investment by capturing anticipated tax increases that will result from the infrastructure investment. Requires robust real estate conditions, creditworthiness.
- **Special Assessment Districts:** Additional tax agreed to by land owners within defined geographic area to cover (portion of) costs of public investment that will primarily benefit that area

# Financing

## Land-specific tools (policy and regulatory)

- **Density Bonus:** Increased density in exchange for funds or in-kind support for policy goals. Requires robust market environment
- **Upzoning:** Re-zoning to allow for higher value development (industrial to residential, or increased FAR)
- **Transferable Development Rights:** sale of excess density rights by public authority as financing tool. No negative fiscal impact, requires robust regulatory framework

# Examples of Successful UR Financing

- **Washington, DC:** The Yards, is a waterfront development created as the centerpiece development along the coastline of Capitol Riverfront re-opened public streets to access the waterfront, and constructed a 5.5-acre park. It is worth about USD 1.5 billion, invested entirely by the private sector, using a subsidy of USD 42 millions from the city to ensure that the site was redeveloped as a mixed-use project. The city is expecting a USD 1.5 billion in additional tax revenues annually by 2030.
- **Buenos Aires:** a self-financing urban regeneration initiative in Puerto Madero redeveloped an unused 170-hectare land parcel to an attractive mixed use waterfront neighborhood. The total investment reached USD 1.7 billion, of which USD 300 million was invested by the city through the sale of lands.



**No City should be left behind, small or  
big**

**THANK YOU**



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