

## **Good Practice in Core Area Development \***

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Economic pressures are giving rise to large-scale commercial developments in central areas of cities in developing countries, displacing established central communities and their low-income households. People living in such households and communities gain their livelihood largely from work in central service employment that is an essential element of the urban economy. The exodus of residents to the outlying areas of the city leads to an increase commuting to the centre. Travel times and costs increase for low-income residents, intensifying their relative poverty, and increased travel impacts on the environment through increasing energy use and air pollution.

These large-scale commercial developments are also displacing traditional small-scale business and service enterprises, the consequence of which is the dispersal and reduction of traditional labour-intensive livelihood opportunities in city centres. Rarely is provision made for their central re-accommodation, which is often key to their economic survival for both easy access by their customers and the symbiotic service function many perform to larger centrally located businesses, their customers and their employees.

The Guide to Good Practice in Core Area Development is a recently completed research project funded by the Department for International Development, looking at these issues, carried out by the Max Lock Centre at the University of Westminster, with a number other UK and overseas based partners.

### **Mixed Use Development and Cross Subsidy**

A key question for the project was what approach to development would best enable low-income communities to resist commercial pressures for their relocation and to remain close to the source of their livelihoods within the commercial centres of these cities?

The working hypothesis was that higher density, mixed use redevelopment incorporating an element of cross-subsidy from commercial development would allow for the re-housing of a substantial proportion of the existing low-income population on site. This would mean basic space standards, but with a much higher level of local services and with access to commercial workspace.

The research is based on a concept of a three-way (public-private-community) partnership approach to urban development, which is becoming a key element of current policy thinking on urban governance and local development. It involves capturing increasing land values from development for the benefit of low-income households and communities.

Various mechanisms for doing this were explored, including the documentation of existing examples of good practice. In general, these depend in some form or

another on public intervention, through policy or project facilitation. This includes the use of formal mechanisms such as planning gain or incentive-based planning codes for example, where the costs of providing for low-income land uses is offset by increased floor space indices. Such mechanisms provide a 'level playing field' in which individual developers can make an acceptable level of profit whilst providing social benefit in the form of low-income accommodation.

Alternatively, local authorities can act as intermediaries between land owner/developers and resident communities in brokering land sharing arrangements, providing some degree of guarantee in situations of high risk and allowing 'locked-up' land values to be realised for the benefit of both parties.

Where communities are weak and disunited in the face of commercial development pressures, the opportunities for achieving social benefit through redevelopment are easily lost. To realise such opportunities, communities need to act collectively. Formal land pooling systems, managed by local authorities and widely practised in East Asia, are one way of achieving collective gain.



Typical unplanned development in Delhi combines uses which optimise the value of the city street whilst meeting the needs of local people



Urban space in Delhi is used by and for the urban poor in ways which limit the planners' best intentions

## **Role of Urban Design**

While the main focus was on the central re-accommodation issue, during the research other concerns relating to the livelihoods pursued by the communities involved, and how these communities could organise themselves to take an active role in managing the development process, came to the fore.

The research examined the role that urban design and development finance techniques can play in developing solutions that can help provide shelter and livelihoods for the urban poor in developing world cities using principles of multi-disciplinary working, multi-stakeholder partnership and cross-subsidisation. It included an examination of the role of urban development briefs and flexible urban development guidelines as an alternative to more traditional regulatory frameworks, dependent on rigid Master Plans and zoning approaches.

As part of its research, the Max Lock Centre research team developed a prototype computer-based site planning/appraisal model. This has been used to explore different types of mixed-use cross-subsidy option for the pro-poor redevelopment of low-income neighbourhoods in the case study cities of Delhi, Jakarta and Recife in Brazil.

## **The Workshop**

The Core Area principles and associated tools together with similar techniques developed for peri-urban location by Geoff Payne Associates and incorporated in their Urban Projects Manual research projects were tested in a simulation, role play workshop at the University of Westminster.

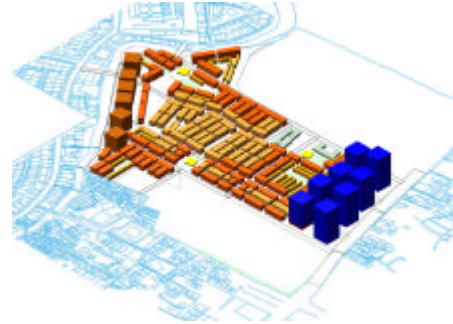
In the workshop, participants worked in teams, using the techniques and tools presented, to explore site development in inner city and peri-urban areas. The workshop involved team-based design exercises producing development options for a core area site, currently occupied by a squatter settlement of 15,000 people in central Delhi and a large, open peri-urban site in Ismailia, Egypt. Team members assumed the roles of different development-related specialists or stakeholder groups and explored mixed-use development proposals combining housing for different income groups and commercial building uses.

The computer model was used by the workshop teams to explore different redevelopment options for the core area site. The basic components of the model are standard building types that can be quickly assembled in different configurations of built form and land use, visualised in three dimensions, and appraised in terms of financial returns, resource requirements and planning performance criteria (e.g. number of residents re-housed and density of occupation).

Many issues were raised in the workshop regarding both the scope of the model and the role-play exercise. The model needs further development to deal with the plot-based approach to the development of peri-urban sites, and to address issues of infrastructure cost and layout. Some of the conflicts and discussions that arose in the role-play exercise suggested that this type of workshop would be better conducted over a longer period to allow some of the complexities of developing a partnership approach at the local level to be explored in greater depth.



Researchers interviewing residents at the Motia Kan jhuggi settlement in Central Delhi



Field research at the Karet Tengsin kampung in Jakarta

Computer model of a redevelopment option for the Karet Tengsin kampung site in Jakarta that calculates the cross-subsidies from commercial development for mixed use low income accommodation to rehouse the existing population

## Research Output

The outputs of the Core Area research include a set of reports documenting the findings of the different city studies. In each case, feasibility studies higher density, mixed-use development incorporating an element of cross-subsidy from commercial development would allow for the re-housing of a substantial proportion of the existing low-income population on site at basic space standards, but with a much higher level of local services and with access to commercial workspace.

While the initial focus was on the re-housing issue, during the research other concerns relating to the livelihoods pursued by the communities involved, and how these communities could organise themselves to take an active role in managing the development process, came to the fore. Guidelines based on the research are currently being prepared for publication on the Max Lock Centre website. The Urban Projects Manual, edited by Forbes Davidson and Geoff Payne has recently been republished in a revised and updated edition.

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