

## Socio-economic Impact and Equity in Waterfront Regeneration

### Scottish Universities Insight Institute Event 3: Edinburgh - 9 January 2015

*The Knowledge Exchange programme brings together practitioners, policy makers and academics involved with waterfront regeneration in three of Scotland's cities, where initiatives are evolving in parallel, developing independent approaches to city-building and shaping new places where people will live and work.*

*Through sharing experiences, the programme aims to contribute to the future development of the waterfront areas directly involved in the programme as well as other waterfront regeneration processes emerging in Scotland. It also aims to guide a debate over issues surrounding economic, social and environmental aspects of regeneration activities in the country, in order to inform policy development and implementation.*

*The programme includes 4 workshops over 6 months, each exploring an aspect of development from each city, with a final workshop drawing together conclusions and identifying next steps for an ongoing knowledge exchange network of policy-makers, practitioners and academics.*

***This note provides a summary of the third seminar in the series on Edinburgh which took place at Architecture + Design Scotland's office in Edinburgh on Friday 9 January 2015 (the first event was held in Glasgow and the second in Dundee).***

*The focus was on the theme of socio-economic impact and equity, with waterfront areas typically offering scope for the establishment of new economies and economic activities as well as potential for spread of resulting benefits to nearby deprived areas, a goal that has not often been met in the past.*



**David Givan, City of Edinburgh Planning Authority** (on behalf of Alison Kirkwood, Majors Waterfront Team Manager), provided an introduction to Edinburgh's 18 km of waterfront development that has focussed on 350 hectares of former industrial land, from Granton Harbour to Leith Docks area.

In 2000 the vision was to create a 'waterfront of international stature', with mixed use, high quality sustainable urban form, placemaking which involves and benefits existing communities and an integrated new tram service. The intervening years have seen considerable challenges to the delivery of this ambition arising from: changing market conditions; macro-economic circumstances; changing and fragmented land ownership; co-ordination of different masterplanning aims; critical-mass aligned to scale of opportunity.

Whilst a strong policy framework exists in LDP and supporting guidance, the ability to proactively shape development has been limited. With separate large masterplan areas centred on Granton Waterfront, Forthquarter, Central Development Area, and Leith Waterfront (Western Harbour; Central Waterfront; and, Northern and Eastern Docks) the scale of opportunity is considerable. In most areas, economic circumstances have stalled development delivery resulting in an impression of sporadic physical development sites sitting within areas of empty space.

There have been successes that include guiding infrastructure investment, creating a linear park (Forthquarter), attracting high quality projects, and efforts to get new development to engage at street level; but challenges exist in the creation of cohesive

new communities that integrate with existing and link back to the city centre.

A new proposed Local Development Plan is setting out a clear vision and succinct key development principles for how the Council sees future layout - mostly in the form of rectilinear perimeter blocks. These ambitions are supplemented by masterplan briefs; and there is also a renewed focus on partnership working and community engagement.

A subsequent discussion raised issues concerning:

- Integrating new and existing communities and linking back to the city centre
- a need to focus on building sufficient critical mass in one area to create a strong sense of place and focus activity
- a limited ability to proactively guide development when having to react or respond to development proposals
- the piecemeal and fragmented nature of development which has been dependent on developer interest, where the finance has not existed to deliver what was originally envisaged
- the challenge of working with market conditions (e.g. which originally favoured 1 and 2 bed flats, and which has now switched to promoting family housing)

**A field tour** visited the Leith and Granton areas of Edinburgh's waterfront.



**Jurgen Bruns-Berenteig (Manager in Chief at HafenCity Hamburg GmbH)** presented on the development of HafenCity, Hamburg and focussed on economic considerations.

The project is the second largest rebuilding project in Europe (approx 2.2 km<sup>2</sup>). The inner city brown field / former ports and warehouses site is adjacent, and has strong links to, the historic inner city area to the north, and offers 10.5 km of new waterfront development along the tidal river frontage (with implications for raising levels).

A masterplan prepared in 2000 (updated in 2010), representing approx 10.4 bn euro investment, is on course to be delivered over 25 years to create 45k jobs, and up to 7k homes for 12k residents. The Hamburg City investment is based on the ownership of the land area, which represents a 40% enlargement of the city's 'downtown'.

The area is undergoing radical transformation to build anew with only 6 original buildings remaining. The masterplan calls for a fine grain mix of uses as a basis for urban development (with max 80% residential or max 80 % offices in any one area). The 'downtown concept' is based on a mix of 32% residential + 48% offices, along with other uses such as university, retail, leisure, etc. A high density approach insists that all uses are publicly related at ground floor to generate urbanity for ground floor spaces; public and private spaces are merged and integrated.

Design is considered across 3 levels of detail:

1. Mastepplan – flexible based on principles
2. Intermediate – quarters; urban design and landscape competitions
3. Micro – detailed regulatory framework to ensure quality; architectural competition for buildings

Conversion and redevelopment of the brownfield site is based on certain key principles:

- City structure based on fine grain mix of uses
- Urban mobility supported by low energy systems – walk / cycle (1/3 of car parks with electric mobility)
- Regenerative energy
- Sustainable construction (BREEAM excellent)
- Integrating technologies
- Behavioural change

The economics of urban transition are achieved through a three-way partnership:

1. The City State of Hamburg sets the political agenda; approves development plans and urban design guidelines; finances and builds: schools, universities, concert hall, subway.
2. HafenCity Hamburg GmbH is a city/state owned quango that acts as entrepreneur; owning the land, and financing work through land sales (no subsidy); therefore it's in their interests to make sure the masterplan and public spaces, etc work.
3. Private sector develops individual sites and is free to innovate within the guidance / controls.

In a situation where large development is happening from anew and where 'typical' market forces may not apply or produce public goods of high quality, four types of capital injection are observed:

1. Communicate capital formation - explore/understand the capacity and potential of the place
2. Cultural capital formation - come up with ideas before being built
3. Social capital formation - people ideas; seek to build social networks
4. Economic capital formation - comes last; "don't start with economic"

Building from new, it is important to construct and combine communicative, cultural and social capital formations that link to the place. Rather than starting with 'economic', a more intelligent development approach recognises the importance of spreading out supportive network structures.

This has been possible through control and ownership of the land which has enabled the possibility to generate the right physical and social infrastructure networks. In order to achieve continuous spatial development HafenCity Hamburg GmbH has sought to guide and shift the risk profile in terms of what is possible so that projects deliver on overall aims and objectives. This is evident in a staged 'transformation of economics of space into place' process:

1. 'Information density generation process' = market mobilisation based on target concept
2. 'Ideas production process' = tendering process - 70% concept, 30% price; different prices for different uses; choose a developer that you want to work with for a particular project
3. 'Co-operation process' = instead of selling the land, grant an exclusive 18-24 month option to demonstrate how the product is developed and delivered (to proceed, and avoid vacancy, a project requires 50% occupancy); how ideas are defined and brought into the framework that is working
4. 'Commodification process' = sale of land - on detailed contractual basis
5. Start of construction

Rather than maximising price, the aim is to generate quality through diversified and varied urban environments that create more liveable networks where people are more likely to meet and interact. This is evident in different initiatives (e.g. diversified residential structures incorporate music studios where people can meet; provide space for start-up; showrooms for ideas; integrated exhibition spaces); i.e. development is not simply a physical building provided by 'the market', but a basis to initiate underlying social structures.

Certain points were highlighted in concluding remarks, including:

- an appropriate and strong role for urban governance; the state as local entrepreneur – an investor for public goods / risk reducer / capability and innovation frame generator

- shifting the role of markets - markets for urban development projects do not simply exist; they can and should be created
- rather than 'simplifying' aim for increased complexity – adopt a planning framework strong on basic features but flexible and adaptive to innovation
- integration of civic society and inclusionary process – requires an experimental approach
- city making is a process of path generation

A subsequent Q+A session covered a number of considerations:

- Achieving good results requires a communication intensive process – 'tease the market' as part of the normal process; understand and generate demand; constantly monitor and gather knowledge - talk to tendering process: understand what is successful/ not
- De-risk doing the right thing; achieve higher resilience; find new institutional structures and new possibilities
- A process of exploration - little of the process was thought out at the start of the masterplan; yet, with a financial bubble and collapse the project is still on timeline for delivery over 25 year period
- The importance of integrating with the existing city – where people are now investing and moving back into the centre
- Fundamental direction needs to be set by city state; the importance of politics – the City Mayor is Chair of Board.
- An element of 'top-down' decision making – the project is too big to risk failure
- Not an exercise in stakeholder representation; not talk to everyone as would never reach a decision



**Kevin Murray (Kevin Murray Associates)** gave a presentation on socio-economic aspects and participatory approaches and experiences in waterfront development, by drawing on experiences from across Scotland, England and Europe.

Similar situations may arise and lessons may be learned from across the many different typologies of waterfront: e.g. trading ports (or former); shipbuilding; fishing ports; canal zones and hinterland; industrial zones; waterfront communities.

Major challenges that need to be addressed include: managing flood prevention; finding sustainable new uses for former port or industrial areas; creating a place that has a sense of community; overcoming concerns about gentrification where people may feel squeezed out.

Drivers for waterfront regeneration include: new economic rationale; addressing dereliction; sustainable resource recycling; reconnecting with surrounding areas; identity and place (re) creation; strategic role and new uses, sectoral activities, investment and jobs; political commitment; and need to create value.

There is an economic conundrum to consider: old or filled dock basins; scale, cost, value; integration and connectivity; non-contiguous grain; heritage assets.

There will be different perceptions of place by different groups of society and a challenge to consider: layers of history; different perceptions of reality; positive /negative relationships; emotional – sense of loss; sense of entitlement; fixed personal views; backward looking attitudes; how to envisage change as a positive.

There are strong community views of what the waterfront is and represents for differing communities (and what may be lost). Any socio-economic study must consider: views on water; views on history; cause of decline;

future aspirations; legitimacy of rights; perceptions of power and beneficiaries.

A strategic approach to involving different audiences is to move from 'Communicate' to 'Consult' to 'Engagement' to 'Empowerment'. Different techniques may be adopted, e.g.

VOCAL:

V ision  
O wnership  
C ommitment  
A ction  
L ooking after; long term

As people see things differently, a gradual process to working with communities (build 'place momentum') is required that is: open and honest; builds trust; addresses rumours and misinformation; removes fear; builds credibility; transfers ownership.

Different techniques are possible and desirable in engaging people to think about the future of the place:

- De-risk through DECRED: Distrust; Engagement; Credibility; Expectation; Delivery (or distrust!)
- Walk the site - understand scale, connections, distances; share analysis of visit; discuss and unpack
- Appreciate historic evolution and connect with the history of the place
- Develop a vision of possible scenarios – and compare it to where the place is now / existing / current
- Agree framing place principles – e.g. activities and uses; ground floor activities; destinations or attractions
- Develop ideagrams – e.g. diagram of key connecting routes
- Charettes may be useful methods of rapidly exploring ideas
- To enable people to see themselves in a new future it is important to express ideas in graphics, and to show comparisons (But: images can be intimidating; may be what other places are doing, and not what promised in this context)

Concluding comments regarding using a 'social perspective' as a starting point for regeneration included:

- Equity headlines: think about integration and access; mix of uses; address social housing and community composition; community facilities; events and facilities; co-creation.
- Create an intelligent process – this may require 'slow urbanism' as opposed to 'rapid regeneration'
- Consistency and continuity is important

*"To accomplish great things  
we must not only act but also dream,  
not only plan, but also believe"*  
Anatole Frances, French poet



**A subsequent group workshop discussion** reflected on lessons from the site visit and presentations to identify factors contributing to achieving positive socio-economic impact and equity in waterfront regeneration in Scotland. Groups considered a series of questions according to three headings:

- **Resources**
- **Rules and Organisations**
- **Ideas and Mindsets**

#### **Resources**

*What resources are needed to achieve positive socio-economic impact and equity in waterfront regeneration and development?*

Key considerations included:

- Attractions, events, ecosystems – a critical mass of things that interact with others
- Adaptive skills
- People – animating the place
- Capacity (through social cultural community as well as economic)
- Vision, leadership and championing over the long period
- Control (is planning enough?) - the importance of land ownership

*What resources do waterfronts already have that may contribute to this?*

Key considerations included:

- What they already have!
- Identity; character; distinctiveness
- An edge, space, land
- Water (tranquillity... or not!)
- A water edge plan (blue plan)
- Community / history; enthusiastic about their origins

## Rules and Organisations

*What organisational arrangements and inputs can foster a positive socio-economic impact and ensure equity in waterfront regeneration and development?*

*What rules /regulations may contribute to providing a positive socio-economic impact and equity on the waterfront?*

Key considerations included:

- Relationship between resources and ideas
- Need for innovation in urban development practice
- Understand estate market
- Design new rules for actors and institutions
- Regulators have a generative role – how to influence markets
- Deal with complexity of urban change
- Process of urban change
- Capacity to deal with change
- Be realistic about how long is needed to undertake regeneration – set up to see out 20, 30, 40 year period
- Importance of co-operation and how to improve
- Role of state as innovator and capital actor
- Recognise different levels of urban capital creation
- And relation to value – social, cultural, equity; common good

## Ideas and Mindsets:

*What constitutes positive socio-economic impact and equity on the waterfront?*

Key considerations included:

- Fairness and equality of opportunity; widely distributed benefit; assets for benefit of ‘all’
- Benefits should be across scale - for the immediate ‘local’, and wider/city area
- Development benefits ‘local’ (e.g. instead of just national chain retailers; or volume builders/ speculative construction firms)
- Quality of opportunity (for all) + Quality of value (for all – measured in widest terms)
- People ‘buy-in’ to an idea – a ‘promise’ – an ambition for their life... is this delivered? Where are the facilities and services that support this?
- Investment is not just in terms of ‘standalone projects’ – it should create and generate wider value: social, cultural, fairness about how a place will operate and perform

- There needs to be a different starting point about ambition, attitude and approach to what is being delivered
- It should support a richness of how the place operates – how social networks form and function – beyond mere ‘physical’ to consider the necessary supportive infrastructure

*What attitudes are in place to contribute to positive socio-economic impact and equity in waterfront areas?*

- A city’s brief for the masterplan (outcomes) must require social and cultural aspects that derive from the developments
- Willingness; desire; positive proactive (not reactive); a belief that it is possible and achievable
- Challenge the market – don’t allow ‘market forces’ to dominate – shape and control the market to deliver what is desirable
- Need land ownership
- Strong personalities and individuals
- Build resilience – lower the risk profile; make it easier to do the right thing
- Not just a requirement to meet numbers or targets; not just chasing capital receipts or ‘bottom line’ financial accounting
- Deal with people (developers/investors) who provide the greatest socio-economic receipt
- Seek a triple bottom line – a win / win / win
- Legacy – wider long term benefits
- A responsible attitude – having a sense of responsibility to do the right thing
- Generate lasting benefit; deliver 25 year plan
- Continuity and belief - flexible to change but hold fast to outcomes (don’t waver with changing ‘market conditions’)
- Need more informed attitudes about positive outcomes for people – what they are and why they are important
- Be able to capture this in a briefing for place – what is it / how to describe in ways that are meaningful and aid delivery
- Confidence that it is achievable and that difficult decisions can be made
- Work with strong politics
- Collaborative working
- Language – of: learning, evolving, layering / developing knowledge; co-production; outcomes; assets; intelligent approach; legacy...
- Need both top-down/guiding visionary (Hafencity) and bottom-up/people led (Copenhagen) approaches