Large Projects Causing Local Problems
Counteracting the negative effects of large urban projects on local communities

Domantas Stukas
4116267  _  d.stukas@student.tudelft.nl
Delft University of Technology, Department of Urbanism
9th Graduation Lab Urbanism Conference

Abstract – Large urban projects (from now on - LUPs) are a common tool used to strengthen and initiate the strategic vision on a city, regional or national scale. This approach boosts local economy, provides funding for other smaller projects, positions the city on a global economy and depending on the case attracts a lot of tourists and publicity. However the local scale on the direct proximity of these projects and specifically problematic neighbourhoods do not benefit as much as the city or region. In most cases powerful estate developers dictate their intentions whereas the wealthy classes become a profitable target group for the investors. Because of this LUPs can cause fragmentation, gentrification and unequal distribution of benefits on the local communities. The intention of this paper is to derive a set of tools and recommendations from a number of literatures on how to increase the benefits of large urban projects on the local scale and how to raise their contextual integration. I intend to do this by reviewing existing literature on strategic planning and large urban projects as a tool to achieve the aims of the strategy. With this review paper I establish a theoretical framework for a design exploration on LUPs in my graduation thesis. As a result of this research, I expect to analyse and critically understand the role of large urban projects in strategic spatial plans and to be able to counteract negative effect of these projects on a local scale.

Key words – Large urban projects; strategy; integration; equal distribution of benefits; positive effect criteria

1 Introduction. The
The aim of this review paper is to overlook the literature on strategic spatial planning and large urban projects (from now on LUPs) and highlight the theory on how to use LUPs as integrative city development tools which give benefits not only for the rich elite powers but also for the lower class and local communities. LUPs are powerful tools to empower strategic visions. When thought out correctly and with great care they become a very important part of the toolbox to redevelop the specific urban structure (Lecroart & Palisse 2007). Large urban projects help to challenge explicit socio-spatial problems of the city and enhance the local strength. However a critical view must be taken to do so because a city can focus only on a limited number of such problems and strengths. Therefore strategic spatial planning frames a clear vision, coherent set of actions and ways of implementing those actions to reach the desired results (Albrechts 2006). Usually those results at the end have a so called spin-off effect aimed at the economy and global publicity of the city. However such effect generated by LUPs and the symbolic state of transformations is merely a tip of the iceberg. Complex and dynamic processes stand behind large urban projects effecting neighbourhoods, cities and regions. One of them is the production and capture of surplus land value from urbanization. As said by Swyngedouw and others: ‘The main objective of these projects is to obtain a higher social and economic return and to revalue prime urban land. The production of urban rent is central to such urban redevelopment strategies. Closing the rent gap and cashing in on the produced revalorization of the development land is a clear leitmotiv in most projects.’ (Swyngedouw, Moulaert & Rodriguez 2002, p. 557). According to this view, city as a whole becomes a mechanism to generate capital and gain profit (Cuenya 2005). Thus rich elite powers and strong global companies start showing interest to collaborate with proprietors for high revenues of investment in real estate market. Even though that large urban projects are: ‘marshalled as panaceas to fight polarization, to reinvigorate the local economy’ (Swyngedouw, Moulaert & Rodriguez 2002, p. 557), they can have the contrary effect. The common initial vision of LUPs to have a balance between the global and...
local needs, at the end stays not fulfilled (Majoor 2011). There is a reason behind such misbalance. LUPs are usually developed in the post-industrial parts of city suffering from economic run-down and stagnation. The same areas however have a strategic location in a city with a developed infrastructure and low land value (Lecroart 2007b). Neighbouring inhabitants of these areas are most of the times the lower class. Such economic and spatial environment attracts private and public investments to benefit from land value appreciation owing to the resulting effects of large urban projects (Lungo 2005). However such profit-lead private sector development without particular commitment to the public goods and local inhabitants result in an increased polarisation and undistributed benefits.

Reviewing professional academic literature in the field mentioned before will help me formulate a theoretical framework for my graduation thesis and help me better understand the complexity behind large urban projects and spatial strategic planning. At the beginning I will give a clear definition of the term ‘large urban project’ used in this paper. Later on I will chapter by chapter sum up the theory found in articles by different authors about the ways to make LUPs more integrative in a local context. Such information will be delivered as a list of criteria to recommend the necessary steps towards boosting the positive effects of large urban projects.

2 Definition of Large Urban Project
At the beginning I want to identify and define the term of LUP which I will use throughout this paper. Two main features which describe the term of large urban project are rather obvious and simple but as well they are clear and precise. Firstly, by the term of LUP I address to a project which bears a physical evidence of a relatively large scale transformation in the surrounding context. Secondly, I advert to such projects which possess a strategic importance to achieve a visionary result of a greater plan. I am also referring to the description by Lungo and Smolka who illustrate some examples of the broad range of LUPs: ‘Restoration of historic downtown areas, renovation of neglected downtown areas, redevelopment of ports and waterfronts, reuse of old airports or industrial zones, expansion zones, residential or neighbourhood improvements.’ (Lungo 2005). Such large scale transformations and improvements aim to intervene in particularly vulnerable areas, change urban processes and create new identities. I perceive LUPs as a tool for achieving specific urban goals which are necessary to put the strategy on a track.

3 Conflicts of Actor Interests
In this chapter I am going to introduce the position of different articles about the causes of urban conflicts due to the difference of interests between public and private actors. This will lead to specific recommendations covering the topics of regulation, supervision, participation and transparency of processes.

3.1 Authority Regulated Private Sector Initiatives
As Swyngedouw and others describe: ‘Large-scale urban projects are often presented as project-focused market-led initiatives, which have statutory planning as the primary means of interventions in cities,’ (Swyngedouw, Moulært & Rodriguez 2002, p. 567). This states the fact that contribution from the private sector to LUP development is inevitable. However it should be critically regulated by public authorities in order to prevent conflicts between private and public interests (Lecroart 2007a).

3.2 Need of Supervisory Institution
The emerging urban conflicts between global and local interests occur due to different expectations of two actors: private or public institution standing behind LUP and local citizens (Renau & Trudelle 2011). It is crucial to have an interdisciplinary institution to manage the interests of public and private sides (Sodupe 2007). More democratic and impartial conditions are created when the dialog between opposing actors is supervised by a neutral party which seeks for mutual better good. In this manner large urban projects have better chances more incorporating and less single actor benefiting.

3.3 Importance of Participation
As a tradition, social acceptability of the large urban project is the weakest link towards the recognition and success of the project (Lecroart 2007a). Participation thus is crucial to obsolete this issue. According to Cuenya: ‘The public presentation of the project implies that it is subjected to judgment and evaluation of agents and institutions representative of local society. Entrepreneurial logic supporting large urban projects will be confronted with the logic of neighbours. Basically, two logical approaches are confronted: the entrepreneurial and the neighbourhood views.’ (Cuenya 2005, p. 61). Such confrontation is a necessary step to prevent the emerge of isolationist projects and neighbourhood polarization because quite frequently private “elite power” actors tend to bypass the procedure of extended participation (Gualini & Majoor 2007). As a matter of fact, participation of the locals does not only create conditions to influence the project and make people more aware of the existing transformative processes, but also on a long term, participation changes the lifestyle of inhabitants and their family, which makes the project deeply integrated into the lifestyle of locals (Lecroart 2007a).

3.4 Transparency of Decision Taking Process

- 2 -
According to Lecroart: ‘The transparency of the process of taking decisions and of identifying the person who is in charge of implementing them and who is accountable for them to the citizens is essential.’ (Lecroart 2007a, p. 116). Public – private contracts which bear selected hidden details from the society is a direct sign of selected actor interest fulfilling, which makes the process of publicity and idea of equality questionable. A simple yet effective way to inform the citizens about the LUP development processes should always be in practice as it is a needed step towards drawing local communities’ attention. If it is accurately indicated who is accountable for certain processes of large urban projects it makes it possible for society to directly react, thus more incorporating local inhabitants.

4 Responsibilities of Public Authorities
The following chapter will cover the themes of public authority’s power and influence on the large urban projects. The potential control of end-result quality, social mix, flexibility and reversibility of development processes and the equal distribution of public gains from the development of LUPs will be discussed.

4.1 Criteria by Public Authorities for the Quality of LUPs
Integration of the LUP into the local context highly depends on the quality which the project reaches upon it’s completion. To meet this quality a certain criteria should be set by public authorities. In the processes of diplomacy and negotiation, powerful legislative tools become in effect for the supervision of the large urban project development course. Lecroart identifies 7 points of such supervisory criteria:

- balance, diversity, and integration of the various functions, expressed through the programme and through the distribution thereof;
- design of the public spaces so as to determine how they blend into neighbouring districts, and good dimensioning of the urban blocks on which buildings are to be built;
- social and generational mix related to the diversity of the types and shapes of the housing;
- possibility of change and reversibility of the development over time;
- taking account of the character of sites and of their history in the project;
- limiting the ecological footprint of the project and of the uses that it implies; and
- architectural diversity and urban design that determine the image of the project, the sense of space and its integration in the metropolitan landscapes.’ (Lecroart 2007a, p. 117).

4.2 Mix of Users

The mix of functions is without any doubt a step towards a fruitful and integrative project. Lots of new developments around Europe show that a varied balance of function at the ground floor of buildings is desired both by promotoers and by developers or the interest is even showed by private initiative (Lecroart 2007a). Having a single user and a function of the project is a true handicap for the urban vitality of the area. The mix of uses at the scale of urban block, plot or single building is becoming a successful and common way to ensure the success of LUP (Lecroart 2007a).

4.3 Public Space and Architectural Quality
Competently chosen places for public spaces, their position in the context of the existing neighbouring network of public spaces and the architectural quality of them greatly increase the image of LUP and draws additional users to the area. It is beneficial both for the adjacent inhabitants as it increases their living quality and for the commerce as it draws a wide mix of customers (Lecroart 2007a). As public space is a common discussion object in the processes of participatory planning, positive developer’s position towards public accessibility of large urban project greatly incorporates it in the surrounding context and boosts credibility among local inhabitants.

4.4 Social Mix
In most cases of the LUP projects, transformations happen in the run-down areas where the existing inhabitants are of a lower or middle class. Therefore oftentimes there’s a risk that private developers aiming towards rich and elite classes could create conditions for gentrification merely because of the profit chase. Public – private partnership in developing large urban projects creates conditions for local authorities to incorporate a social and generational mix in the areas of transformation. Private developers are most likely to orient towards high income social class as it is most profitable, whereas local government can imply conditions for the development of large urban project to include a program of mixed affordability houses. Moreover, government can also directly participate in developing social and affordable housing (Lecroart 2007a).

4.5 Flexibility and Reversibility
Majority of LUPs are planned to function on a long term basis. To start functioning properly those projects need to mature and pass several economic and political cycles. Having a single developer of the project enables consistency and identity to mature quicker. However in the case of changes in the strategic plans due to dynamic processes in the city as a whole it is more favourable if large urban project is split up into several smaller-scale projects of different operators who can react to the changes
in stages (Lecroart 2007a). Such conditions to attract multiple actors are directly available if the land is of the public ownership. Then the government can restructure large singular urban lots into smaller ones giving them the shape and the size to meet the existing real estate market. This prevents the approach when the city is conceived as a construction site of a huge private or public investor which directs the whole process of transformations (Cuenya 2005).

4.5 Distribution of Public Gains
Sometimes processes of gentrification are a part of strategy and are not always a negative thing. However particular mistakes should be avoided to prevent the increase of social segregation, polarization and uneven distribution of benefits. It is crucial that the public gains received from private developers of LUPs should be distributed to support other public projects or facilities increasing the living quality rather than investing that revenue back to the same gentrified location supporting the privileged class (Cuenya 2009). In order to do so there should be a greater democratic control of the production and utilization of surpluses that urbanization of the city generates. By creating tools to prevent the administration’s favour to support corporate capital and the upper classes with bigger money power, enable conditions for benefit distribution of public revenues to all social classes, especially the most vulnerable ones (Harvey 2008).

4.6 Locally Painless Project Funding
The most successful case of public large urban project funding which does not harm the local tax payers is when the project appears to be costless to the great majority of adjacent inhabitants (Altshuler & Luberoff 2003). The easiest way to do so is to rely the funding on the higher level governments and spread the cost among more tax suppliers. However there are also ways to attain funds in a more sophisticated way. Authorities can attribute funding from future revenues of directly project related activities. For example new airport terminal construction can be partly funded by increased landing fees, lease payments, etc. In such manner equity factor of project payer and user is maintained.

5 Conclusions
Beatriz Elena Cuenya in her PhD thesis has given an accurate description about the dynamics and effects of LUPs: ‘Due to their scale and complexity, they question the planning frameworks and land use regulations, redefine economic opportunities, generate tensions in local finances, give new dimensions to political spaces and change the map of positions occupied by urban actors. Large urban projects generate extraordinary benefits and damages which have been only partially examined‘(Cuenya 2005, p. 205). Such complex conditions for developing LUPs require a deliberate set of tools to counteract the possible negative aspects of the project and make it more integrative for the local communities and lower classes. Therefore a clear approach has been identified in this paper.
Firstly and most importantly the factor of participation is directly related to the level of project integration in the context. Private sector developer’s discussion with local society and transparent presentations of project intentions engage recognition in the social context. In order to achieve this, public authorities have to establish a trans-disciplinary institution which would manage the interests of private and public sectors.
What is more Public sector should wisely manage the gains of capital due to urbanisation and not abuse the process of real estate value appreciation on the account of the lower class. As Cuenya indicates: ‘ in order for the state to recover surplus values, it must follow this logic and avoid selling plots in blocks and elude the usual pressures of strong developers who seek to keep the business for themselves.’(Cuenya 2005, p. 212). Then public authorities should imply a set of criteria upon the development of LUPs in the process of negotiation with private actors in order that the end result of the project would be regulated by legitimate set tools. In this case a certain quality of large urban project is ensured and certain externalities can be estimated. What is more a very important step towards LUP integration is the establishment of effectual public spaces with a wide mix of facilities to avoid single use and function. Such approach attracts varied range of users and boosts project attendance throughout the year. In order to encourage this mix of functions public sector should develop the site for large urban project not as a whole, but parcelled into smaller urban lots. By doing so, conditions for flexibility and reversibility are created which reacts to the ever-changing processes of urban planning. Moreover, by private-public partnership, government bears a capacity to implement a social mix in the area of LUPs. In this way public authorities can ensure that a portion of large urban project would constitute to affordable housing. In this manner the harsh effects of gentrification can be avoided. It is incorrect to forget that attraction of high income development is quite a prosperous asset both for the city and for private actor. However it is more important to remember that the distribution of benefits to other public projects or improvement of adjacent neighbourhoods is a solid way to increase LUP integration.

8 Recommendations

Acknowledgements
I would like to express my gratitude towards Remon Rooij and Ana Maria Fernandez-Maldonado for supervising the overall quality of this review paper. I am also sending the regards to my first graduation mentor Roberto Rocco, Diego Sepulveda and other staff members of Complex Cities studio who gave feedback or inspired me for this work.

Bibliography


Lecroart, P. 2007a, 'From the plan to the city: managing large-scale urban development projects in Europe', CAHIERS - Institut d Amenagement et d Urbanisme De La Region d Ile de France, vol. 146, pp. 10-14.

Lecroart, P. 2007b, 'Strategies, stakeholders, and large-scale projects: a few pointers', CAHIERS - Institut d Amenagement et d Urbanisme De

La Region d Ile de France, vol. 146, pp. 30-47.

Lecroart, P. & Palisse, J.-P. 2007, 'Large-scale urban development projects in Europe; what lessons can be learnt for the Île-de-France region?', CAHIERS - Institut d Amenagement et d Urbanisme De La Region d Ile de France, vol. 146, pp. 5-27.


