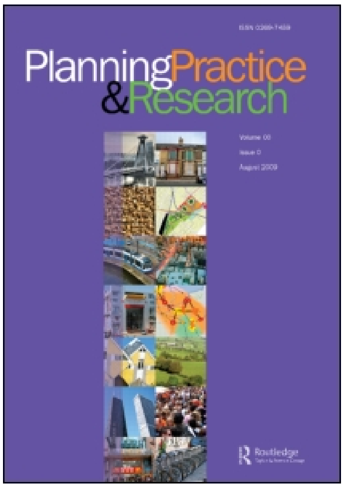
This article was downloaded by: *[UNISA University of South Africa]*
On: *17 May 2010*
Access details: *Access Details: [subscription number 788796225]*
Publisher *Routledge*
Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK




**Planning Practice and Research**
Publication details, including instructions for authors and subscription information:
http://www.informaworld.com/smpp/title~content=t713442503

# Key Projects for Urban Regeneration: the Dutch experience

Dick Schuiling

**To cite this Article** Schuiling, Dick(1996) 'Key Projects for Urban Regeneration: the Dutch experience', Planning Practice and Research, 11: 3, 279 — 290
**To link to this Article: DOI:** 10.1080/02697459616852
**URL:** http://dx.doi.org/10.1080/02697459616852

PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: http://www.informaworld.com/terms-and-conditions-of-access.pdf

This article may be used for research, teaching and private study purposes. Any substantial or systematic reproduction, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

*Planning Practice and Research, Vol. 11, No. 3, 279–290, 1996*

# Key Projects for Urban Regeneration: the Dutch experience

DICK SCHUILING

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

## Introduction

The Netherlands has a long tradition of strong government involvement in physical planning at the national and city levels. First of all this has to do with the physical situation of the country: half of it is located below sea-level behind dikes, on a weak soil structure and is therefore not easy to build upon. This requires governmental intervention during the preparation of land planned for urbanisation. Moreover, the country is characterised by its very high population density and its egalitarian culture.

During the redevelopment era of the booming 1960s, city centres were made ripe for automobile traffic and commercial uses, in which operations private developers had a good stake. After clashes with inner-city neighbourhood groups, urban renewal in a more social sense started at the beginning of the 1970s. This type of urban renewal was heavily supported by national subsidies, was housing dominated and put the interests of the sitting tenants in the old neighbourhoods in the foreground. Dilapidated houses, mainly private rentals, were replaced for those tenants by new affordable social rental owned by housing associations. The development industry was no longer welcome in these areas and they also saw insufficient return on investment in this affordable, rent-controlled housing. The private sector sought more profitable sites for housing in the outer districts, suburbs, new towns and countryside, where there were no low-income tenants to replace. In addition, office developers preferred more and more peripheral locations often alongside highways, which were more accessible to cars than inner-city locations.

After 15 years of (semi-)public urban renewal which produced vast numbers of new and improved affordable dwellings, the drawbacks of this one-sided type of renewal also became clear: neglect of the economic functions of cities and neighbourhoods, 'freezing the social segregation behind new bricks' and over-stretching the demand for grant expenditure from central government.

So, in the mid 1980s, as a considered and relatively non-political reaction to these drawbacks, some urban renewal forerunners founded a 'Forum for Urban Regeneration'. This Forum proposed a broader and more economic approach to cities, combining private and public expertise and possibilities. In 1986, the Forum's efforts resulted in a commitment in the new (centre/right) Cabinet's Programme. The relevant passage stated that "new forms of public/private

*Dr Dick Schuiling, Assistant Professor in Urban Regeneration, Department of Planning and Demography, University of Amsterdam, Nieuwe Prinsengracht 130, 1018 VZ Amsterdam, The Netherlands. Tel: +31-20 5254040. Fax: +31-20 5254041. Email: dschuil@ivip.frw.uva.nl*

0269-7459/96/030279-12 $6.00 © 1996 Journals Oxford Ltd

partnership with local government, local and regional enterprise and—if necessary—central government will be set up, aimed at raising investment volume for, among others, urban regeneration".

Since then, urban regeneration and public/private partnerships (PPPs) have been high on the political agenda of the national government. Dutch planners and politicians took advantage of US examples such as Boston and Baltimore, went to view the British Docklands, and many Dutch cities began projects for the regeneration of waterfronts, railway lands, abandoned factory areas, station sites, etc. The Fourth National Planning Report (1988) stated that one could speak of PPP, if:

- one or more public authorities, and
- one or more private parties
- work together to realise a mutually agreed objective
- in one organisational framework, set up by the parties concerned
- in which the own identity of each party is maintained
- while each party continues to identify with its own objective and
- contribute means, accepting risks and distributing yields correspondingly.

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

Aside from the Government's definition, others commented that the preparation needed to reach such cooperation should also be seen as PPP. Such partnerships can be set up in the initial stages of a project, with the intention of studying and planning together, but also in the implementation and operation stages. The PPP can be organised in the form of a separate corporate body, but also ruled by one or more contracts of civil law. In those first euphoric years, PPPs seemed to be a panacea in times of governmental austerity, especially useful for infrastructure, urban regeneration and environmental clean-up projects. Financial institutions could fill in the financial holes caused by public expenditure cuts. Some Dutch pension funds, such as ABP (for civil servants), are amongst the largest in the world. So in the view of politicians and civil servants, there was plenty of private investment capital available. Since then, privatised highway tunnels and urban regeneration projects using PPP have been proposed in most parts of the country.

## National Pilot Projects

As a follow up to the Fourth National Planning Report, The Ministry of Housing, Physical Planning and Environment introduced national 'Pilot Projects for PPP in Urban Regeneration'. These were designed to support the 'urban nodes' strategy and the development of internationally competitive business sites and also to explore different forms of public/private cooperation. In one round in 1988 the Ministry selected five local initiatives, located in Rotterdam, Amsterdam, Den Haag, Groningen and Maastricht. The first two projects combined the restructuring of vacant waterfront piers and railway lands. The third and the fourth projects were situated near a railway station, while the last was set up to replace a ceramic factory. Table 1 shows the main programme content of these projects. Perhaps in the interest of spatial equity, these five projects were located in the three largest Dutch cities, all in the west of the country, and in two medium-sized cities in the far south and north. Maastricht and Groningen have proved to be among the most active cities in urban design terms.

The plan areas differ in size ranging from 2.5 ha (Groningen) to 83 ha (Amsterdam OHG and Rotterdam KvZ). Land ownership varied too: in Amsterdam and Rotterdam the land was mainly in the hands of the city or Dutch Rail (NS); in Groningen and Maastricht the land was primarily private, while in The Hague the land was in the hands of the city, Dutch Rail, central government and some private parties. As can be seen in Table 1, four of the five projects (Groningen is the exception) aim at large numbers of dwellings. Furthermore, all of the projects with the exception of Amsterdam OHG are (also) dependent upon office development. Major new infrastructure is crucial for the projects in the three big cities; without it, the development cannot get off the ground.

All cities started their urban regeneration project plans before the publication of the Fourth National Planning Report, so that the projects were not initiated but only selected by central government. During their designation as PPP pilot projects in 1988 the local plan-making process was still under way. This selection meant national support in the form of accelerated inter-ministerial coordination and priority in the distribution of existing grants, which was more than welcome to the cities involved. No new laws, grant regulations or governmental bodies have been introduced for this purpose.

In the first years, with booming office and housing markets, the progress of most of these (and other) projects was substantial, stimulated by the quick provision of national grants for infrastructure and land costs for housing. The smallest project (Groningen) was hampered by procedural problems and a lack of market interest. The project in The Hague made less progress because of cumbersome negotiations with central government. Although all were designated pilot projects for PPP, the number of real PPPs was much lower than that originally aimed at in the late 1980s. In the beginning, the planning stage, various study covenants were made with developers and interested landowners. However, the real test for PPP is at the stage of implementation. Although many developers were eager to cooperate with the local authorities, their financial backing was insufficient to take all the implementation risks. The financial institutions, which were needed to provide this, remained very hesitant to become the only private partner for an entire project. Only in Maastricht did one private actor—the pension fund ABP—buy all the land and make an overall contract with the city to implement the joint plan. In Amsterdam and Rotterdam, land acquisition and servicing has been done in the traditional Dutch way by the city. The city then apportions the land leasehold to different private parties (developers, housing associations, etc.). Until 1995, the Dutch housing market was booming, in contrast with the office market, and therefore the housing element of the programmes in Amsterdam, Rotterdam and Maastricht is almost on schedule. For the more problematic office development programmes of Rotterdam KvZ, Groningen and The Hague, the central government Real Estate Management Agency proved to be a saviour by taking the role of first large customer, making large lease contracts with a financial institution (ING) for different public organisations. Nevertheless a tax office, a ministry or a court of

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010



TABLE 1. Main programme content of Dutch pilot and key projects

| Project | Dwellings (no.) | Offices ($m^2$) | Facilities ($m^2$) | Infrastructure |
|---|---|---|---|---|
| **National PPP pilot projects (presently designated key projects):** | | | | |
| *Rotterdam: Kop van Zuid (KvZ)* | 5 120 | 377 000 | 53 500 | *Bridge, metro station, tram line, 3600 parking spaces* |
| *Amsterdam: Eastern Harbours (OHG)* | 5 767 | 19 000 | 38 100 | *New artery, express tram, tunnel, parking facilities* |
| *Maastricht: Sphinx Ceramics* | 1 600 | 70 000 | 45 000 | *Bridge, 4000 parking spaces* |
| *Groningen: Station Northwest* | 150 | 32 500 | 1 500 | *Road, 800 parking spaces* |
| **National designated key projects:** | | | | |
| *Amersfoort: Central City (CSG)* | 2 000 | 200 000 | 164 000 | *Expansion of railway, bus lines, parking facilities* |
| *The Hague: New Centre (HNC)* | 1 200 | 200 000 | 127 000 | *Tram and car tunnel, station expansion, 4000 parking* |
| *Nijmegen: Brabantse Poort (BPN)* | 360 | 34 000 | 80 000 | *New bus and train station, artery, parking facilities* |
| *Eindhoven/Veldhoven/Welschap: Westcorridor (EVW)* | 6 500 | 400 000 | ? | *Expansion of railway and station, new bus station, expansion of highway, parking facilities* |
| **Potential key projects:** | | | | |
| *Utrecht: City Project (UCP)* | 1 100 | 250 000 | 30 000 | *Express tram, tunnels for cars, buses and slow moving traffic, new bus station, parking facilities* |
| *Amsterdam: IJ banks* | 3 500 | 517 200 | 93 600 | *New artery, new tube line, tube river crossing, railway station expansion, parking facilities* |
| *Rotterdam: Northern Edge (IPNR)* | 7 000 | 350 000 | 65 000 | *New highway, two arteries, tube and tram lines, high-speed train station, new airport* |

justice are not precisely the kind of clients which fit the objectives of urban regeneration projects set up to support international competitiveness.

## National Key Projects

Since 1990, a second round of projects has been chosen, now called 'Key Projects for Physical Development' (see Table 1). This time, the term PPP has been dropped, and aside from urban regeneration, infrastructural and city fringe projects are also on the list. Instead of just one, four ministries were involved in the selection and co-ordination of the projects. The key projects had to be major investment projects for urban areas, infrastructure or environmental technology, and strategic ones for the physical development of the country. Again, the local authorities remain primarily responsible for the projects and no new grant regulations have been introduced. The procedures are streamlined by inter-ministerial coordination and the projects are given priority within the framework of existing grants. There are now three stages in the designation process. Out of the five PPP pilot projects in the first round, four (The Hague is the exception) immediately rose to the highest status of 'designated key project'; another seven were nominated in 1990–91 as 'potential key projects' (in The Hague, Utrecht, Amsterdam, Rotterdam, Nijmegen, Eindhoven/Veldhoven and Amersfoort). Three of these seven (Amersfoort, The Hague and Nijmegen) became 'designated' in 1993–94, and another one (Eindhoven/Veldhoven) in 1995. Aside from these 11, there are another three (including the important mainports for air and sea transport near Amsterdam and Rotterdam) which have for several years been in the lowest stage of 'enquiry'.

This second round of 1990–91 contains large-scale projects, which are generally dominated more by proposed office development than those in the first round. Most of them are situated near central railway stations, in line with the new official physical planning policy to stimulate office development away from highways in areas with good access by public transport.

Apart from The Hague, Amersfoort, Nijmegen and Eindhoven/Veldhoven, the procedural progress of the other three projects is problematic. In these projects the plan-making and intergovernmental decision-making processes are far behind schedule. There are several reasons for this, which are discussed below.

In Utrecht (UCP) the four partners involved in the PPP study (since 1988) failed to reach agreement on the masterplan of 1993 and its implementation. The only financial institution involved (again ABP), which is also the landlord of almost all existing floorspace, decided not to cooperate because the proposals had a detrimental impact on its existing shopping centre which is located on top of the central railway station. Developers, who were deliberately kept out of the study PPP in Utrecht, have been called in to get the project moving again. Central government was hesitant to provide the necessary grants in this situation. In 1994 a public/private development company was formed (owned 51% by the city and 49% by developers) to devise an operational plan and, if approved, to implement the plan in 15 years.

In Amsterdam IJ banks, the largest project in the country and estimated at £1.7 billion, the study PPP published its business plan in early 1993, but was then



Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

wound up in the same year because the only private partner, ING (a combined insurance company/bank/developer and the largest financial institution in the country), was concerned about the return on investment and the long development period needed (15–20 years). Rem Koolhaas's (OMA) imaginative spatial scenario was not viable in development terms, particularly because of the office market slump and the necessary major new infrastructure, which is vital to attract commercial users. Although here too central government awaits more concrete progress, it did provide funding for the construction of a new north–south tube line, crossing the IJ banks project and linking it to the central railway station. The city has decided to continue on an area-by-area basis, mainly with the proposed housing and infrastructure components, and has laid down a destination plan.

In Rotterdam IPNR the situation is even more complex. The project involves the relocation of Rotterdam Airport to the north and the provision of a new highway tunnel underneath the new runway, making it possible to construct a new housing district and office park. The different layers of government cannot reach agreement on this very expensive project because they evaluate the environmental and economic impacts completely differently. Developers and financial institutions are being forced to take a share in the loss-making airport management in order to win contracts for the profitable new developments.

In Eindhoven/Veldhoven/Welschap, home city of the shrinking multinational Philips, the Westcorridor project is still in the stage of development planning, except for some inner-city sites and infrastructural improvements, which are in the implementation stage.

Since spring 1993 The Hague New Centre has made much more progress, getting substantial funding from central government for a tram tunnel underneath the main shopping street and concluding contracts for the establishment of several office towers (mainly for rent by different ministries) near the central railway station. The new town hall/library complex, which is located in the middle of the project, has been completed in 1995.

Amersfoort has also received central government approval and grants for its Central City project, in particular for the vast environmental clean-up, infrastructure and housing land costs. In comparison with the size of the city (population 100 000) this is a very big £0.6 billion project. The City Council acquires all the land and sells it on to the private sector, thus taking all the land cost risks in the short term. Here the private partners (12) are combined in one development company, but they still have to find institutional investors on a project-by-project basis. Since the risks were unevenly spread between the city and the development company, the development rights of the private partners were curtailed from 1994 onwards.

The Nijmegen project is already nearing completion and is really too small to be called a 'key project' for The Netherlands. Perhaps this was also the reason that it reached the status of 'designated key project' rather late in the day.

## Preliminary Evaluation

A general assessment of these projects shows that progress has been made in production terms at least. All pilot projects chosen in 1988 are partially under



Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

construction, as are most of the key projects of 1990–91. However, with the exception of Maastricht, Nijmegen and Utrecht, the PPP as a separate legal body or overall contract has been less involved than originally expected. Obviously the different actors have come down to earth since the early euphoric years. Although developers are eager to collaborate, they are financially weak. On the other hand, the strong financial institutions are hesitant to become the (sole) private partner for an entire project. They refuse to bear the risks of such large projects with corresponding long periods of development. All private parties prefer parcel-by-parcel phasing instead of wholesale development, thereby diminishing the risks and allowing the rejection of the less profitable elements in the original package. This also has to do with the peculiarities of the main Dutch real estate investors. Some 80% of the Dutch real estate owned by financial institutions belongs to pension funds and insurance companies, which try to avoid risks and to spread their investments among bonds, shares and different real estate projects, of which the latter only account for 10–15%. Most pension funds have recently been less inclined to invest in commercial real estate because of its bad performance. Only 7% belongs to Dutch property funds, most of them preferring to invest abroad, thereby spreading their assets. The total estimated value of the 11 key projects on completion (£11 billion) represents half the present total Dutch real estate holdings of all financial institutions. Hence the reluctance to join wholesale PPPs for these projects quickly—they are too big and too risky! The private sector also refuses to take a share in the up-front infrastructure costs, waiting for central and/or local government to provide them.

The need for national funding (especially for infrastructure and soil clearance) seems higher than the central government is willing to grant, causing delays in public/public and public/private contracting. Aside from infrastructure grants, other central government financial contributions (for housing land costs and environmental clean-up) remain very modest.

Another problem is that central government and many city authorities had no realistic views about the private sector's possibilities and requirements. In other words, although there is enough investment capital in The Netherlands, the characteristics of the projects do not address the preferences of investors, who are looking for smaller and less risky investment opportunities. Therefore, the more piecemeal approach is making more progress than the mega-projects with their totally interdependent components, such as Amsterdam IJ banks or Rotterdam IPNR. The Dutch also seem on the way back to a more traditional style of urban development, where central government subsidises infrastructure and environmental clean-up, the city takes the risks in acquiring and servicing the land, and developers and investors develop and buy only individual sites instead of taking on the project as a whole. The private sector has proved not to be the saviour in times of governmental austerity, a situation worsened by the office market downswing.

Urban regeneration is usually introduced as a vehicle to counter economic decay, yet it actually took off in the booming late 1980s. Most emphasis was put on office development, which only works in an expanding economy. Since most projects rely heavily on the income from land lease or sale for office use, the



Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

office slump is a serious drawback. Urban regeneration thus proves to be a cyclical rather than an anti-cyclical operation. This requires more flexibility in programmes, phasing and PPP contracting than originally expected. However, since the housing market is still buoyant, these parts of the projects do get off the ground. Yet this housing is mainly for sale, thus requiring mortgage capital rather than investment capital.

Key projects suffer from the many objectives asked of them by the different ministries involved (see also Table 2). Although most of the mega-projects are (too) large in comparison with the cities involved and the desired private partners, they are (too) limited in economic and environmental impact to achieve the ministries' objectives. The key project approach was successful in stimulating local authorities to make imaginative plans, but it also seems just another example of physical determinism. Supplying land and buildings will not in itself attract foreign and new firms. International competitiveness is much more dependent on such factors as inflation, exchange rates, productivity, wage levels and infrastructure than on mixed-use key projects, partially competing with each other for the small demand for new office space. National infrastructure projects, such as the extension of both the country's 'mainports' (Rotterdam Europort and Amsterdam Airport), the new high-speed rail link Paris–Brussels–Rotterdam–Amsterdam and the new cargo rail link Europort–Germany are much more important for that objective.

Setting international competitiveness aside, the key projects still remain very important in terms of urban planning and design. They are a stimulus for professional discussion and innovation and have changed the image of ex-industrial or port areas amazingly. The importance of central railway stations has also been rediscovered.

The selection and stimulation process for key projects as organised by national government was not based on clear criteria and has become cumbersome after the first round of pilot projects. While originally a period of only one year was foreseen, the selection in three stages has already lasted for more than four years. This has probably also been exacerbated by inter-ministerial quarrels. The approach was invented and coordinated by the Ministry of Housing, Planning and Environment, while the funding comes mainly from the Ministry of Traffic and Water Management. The lack of a separate fund or grant and a special governmental organisation for key projects forms a handicap for speed and real prioritisation within the governmental bureaucracy. The system of public/public covenants for the whole development period is too slow and wrongly assumes the possibility of blueprint contracting for a necessarily flexible planning and implementation process. The regular time-consuming plan-making and approval procedures are maintained, which makes it very difficult to retain momentum and political support. The key projects became subordinated too much to the new and also very slow procedures for regionalisation and urbanisation in The Netherlands.

So from the procedural objectives of the key project approach, only the catalyst effect and the changing image at the local level are clearly visible. The acceleration, prioritisation and inter-ministerial coordination at the national level



Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

are insufficient. The same criticism is valid at the local, project-specific level where some PPPs have lacked internal or external support.

Although there are fewer overt critics than in the redevelopment era, the reactions of the public at large to the key projects are cautious rather than enthusiastic. There seems to be enough acclaim and demand for market-sector housing, while there is more reluctance in respect of high-rise, high-density office concentrations in the mainly low-rise Dutch city centres. There is also some fear that municipal funding of these projects will be at the expense of the 'classical' urban renewal in the dilapidated housing areas. Although every project proposal aims for high-quality urban design and architecture, the first wave of implementation shows a much more modest reality.

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

## Comparison with British Urban Development Corporations

The British Urban Development Corporation (UDC) approach is much older and also much more politicised than that of the Dutch key projects (see Table 2). The current role of planning and the central–local government relationship are completely different in the two countries, although the types of sites are similar. In The Netherlands urban planners are still in a relatively leading role and central government is trying to decentralise decisions, at least in the housing field. While PPP was one of the objectives in The Netherlands, there are very few special legal bodies set up in the form of a PPP. In Britain, UDCs are 100% public organisations. However, UDC board members and the content of the projects are more private sector orientated. In The Netherlands there are no special powers or grants available for the key projects. In contrast with the UDCs, local authorities are the main actors instead of being seen as part of the problem, which was at least the view during the 1980s. In many cases, the Dutch local authorities also acquire more land than they previously held, using it as an extra steering instrument or to pay in kind for their stake in the common operation. In Britain, much un(der)-used public land is expropriated or vested by the UDC, to be given out after servicing as quickly as possible to the private development sector to earn money for the next projects. Accessibility by, and improvement of, public transportation is seen as a vital prerequisite in some of the Dutch cases, making optimal use of central railway station sites to avoid an increase in private car traffic. In Britain, and especially in the London Docklands, this seems to have received little or very late attention (e.g. in the case of the Jubilee Line extension). However, in terms of physical production, changing images and fast procedures, the UDCs have performed much more impressively than the Dutch key projects. Furthermore, the scale of some UDCs is incomparable with that of the Dutch projects. The latter are much more similar to the mini-UDCs, and at any rate are limited by the boundaries of the local authority taking the initiative.

In Britain the necessary level of public funding seems much higher than originally expected, and the leverage ratios vary a lot between the UDCs. In The Netherlands central government is not yet ready for such massive financial participation in the projects and the leverage ratios are still unclear. It is also quite early to compare the (potential) distributional outcomes. Until now in The

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010

TABLE 2. Comparison between Dutch key projects and British urban development corporations

| Aspect | Key projects (NL) | Urban development corporation (UK) |
|---|---|---|
| Number and date of origin | 4 + 7 (from 1988) | 12 (England) + 1 (Wales) (from 1980) |
| Initiator of the project | Mainly local authorities | Central government |
| Area type | Vacant port areas, factory sites, stations, city centres, infrastructural zones, city fringes | Port areas, industrial areas, city centres |
| Designated by | Central government | Central government |
| Form | Sometimes a public/private partnership in itself, sometimes working with partial PPPs, sometimes only contracts with private parties | No PPP in itself, but working with private sector board members and stimulating private development |
| Aims | To stimulate the international competitiveness of The Netherlands<br>To contribute substantially to the decrease and guidance of car mobility<br>To contribute substantially to environmental policy by spatial measures<br>To improve the economic structure for the sake of local and regional living quality | Secure physical regeneration by bringing land and buildings into effective use:<br>By encouraging the development of existing and new industry and commerce<br>By creating an attractive environment<br>By ensuring that housing and social facilities are available to encourage people to live and work in the area;<br>To act as a 'catalyst for the private sector' |
| Board | Local authority or board of separate legal body (in the case of PPP) | Board members appointed by central government, coming mainly from the private (development) sector |
| Powers | No extra powers provided | Expropriation and vesting of land without development gain |
| Consultation/participation | No extra, but the regular requirements for planning procedures remain valid | Development control authority<br>Consultation with local authorities and communities (undertaken with variable effectiveness) |

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010



| | | |
|---|---|---|
| *Control* | *Annual reporting to central government on meeting the performance criteria and progress*<br>*Regular political control by local authority* | *By annual corporate plans submitted to central government and for big projects and sales below market value* |
| *Funding/grants* | *No new funds or grants, but priority for regular grants* | *Separate UDC funding* |
| *Income* | *Central government grants*<br>*Urban renewal fund*<br>*Local authority budget*<br>*Contribution in the form of municipal land*<br>*Contributions by the private sector*<br>*Land sales and leases*<br>*Building revenues* | *Central government funds*<br>*Vesting against use value*<br>*Land sales and leases*<br>*Building revenues* |
| *Character* | *Market orientated, but local authority led*<br>*Image changing*<br>*Mixed use, including housing and facilities*<br>*Following the planning system*<br>*Dependent on grants from central government* | *Demand and market led*<br>*Urban design led*<br>*Project-by-project approach*<br>*Image changing*<br>*Leverage planning* |
| *Criticism* | *Not all projects have been selected well*<br>*Slow speed of designation and implementations*<br>*Insufficient central government funding*<br>*One-sided and less democratic character*<br>*Regular planning procedures last too long*<br>*Reluctance of financial institutions*<br>*Unbearable environmental cleaning costs* | *Forgotten infrastructure*<br>*Lack of design coherence*<br>*Lack of attention to local enterprises and jobs, eduction and training, social housing, social amenities*<br>*Absence of local democratic control and participation*<br>*Too quick land sales, leaving too much profit for the buyers*<br>*Neglect of planning and spatial relationships* |

Netherlands the main outputs seem to be infrastructural improvements, private and social housing and office space for public institutions. This seems generally beneficial for a large part of the general public. However, the employment effects are still weak, and are certainly not much help to the unemployed in the adjacent neighbourhoods. Only in Rotterdam KvZ is there an official programme and organisation ('Mutual Profit') to attain social benefits for those quarters. The British outcomes seem more unevenly spread among the population, but possibly with better results in employment terms.

Thus the comparative picture of the set-up and outcomes of Dutch key projects and British UDCs is mixed, depending on one's criteria for success or failure (see Table 2), and reflecting the cultural and political differences between the two countries. Both approaches are much different from their US forerunners, even if their physical appearance (e.g. mixed-use, high-density waterfront projects) is similar.

Downloaded By: [UNISA University of South Africa] At: 10:27 17 May 2010