Planning and Implementation of Urban Regeneration

– The Adequacy of the Statutory Toolbox Available to Practice

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The key points

- Re-development of brownfields is a complex task compared to greenfield areas
- The traditional Danish statutory tools have proved to be insufficient
- Developments of Danish planning legislation over the past five years have provided some new tools very relevant to problem solving in practice
- Still, the statutory toolbox seems incomplete, especially regarding some organizational and economic issues
The re-development challenges

A high complexity regarding property structure, infrastructural and urban issues, potential environmental conflicts between existing and future land use, etc

1. How to manage the process and safeguard certain public interests (the sequential order, environmental, urban and financial issues, etc.)?

2. During recession, how to support and encourage developers to re-develop areas of great importance to the city (e.g. by removing obstacles or by use of subsidies)?

The 'traditional' implementation tools

The traditional tools have first and foremost been developed to manage urban growth (green field developments) and have proved to be efficient managing small scale changes in built-up areas, too.

- Binding local plans
- Compulsory purchase
- Easements and other agreements in the frame of Civil Law
- The 'Municipal authority'
- etc
The traditional tools and urban regeneration

The traditional toolbox has turned out to be insufficient in urban regeneration areas, due to:

- The areas are abandoned gradually and are located various places in the town
- The areas are frequently affected by noise and other environmental impacts from remaining enterprises as well as traffic
- The property structure is often complex. This per se may cause problems and it furthermore causes different interests as to the future development of the area and the individual sub-areas
- Re-development may entail public (municipal) expenses which can be hard to fund
- etc.

Extending the Toolbox - 2003:
Special 'Urban Regeneration Zones'

In 2003, the traditional zoning possibilities was supplemented through an amendment to the Danish Planning Act:

- The areas can now – on certain conditions – be designated as 'urban regeneration zones' in the municipal structure plans
- Within these zones some special-purpose tools are provided
- The sequential order for the transformation of the urban regeneration zones can be regulated through the municipal structure plans
Extending the Toolbox - 2007: Development Agreements and New Local Planning Tools

In 2007, a new section on development agreements was added to the Danish Planning Act and the scope of binding local plans was extended:

- The amendment contains legal basis to form voluntary public-private partnerships (PPPs) by means of 'development agreements' to legalize private co-financing of infrastructure
- The list of possible regulation issues in binding local plans was supplemented with four new issues; three of them with direct relevance to urban regeneration areas

The Development Agreement Tool

Under the Planning Act, development agreements are subject to substantial limitations:

- Development agreements can only be initiated at the request of a property owner
- Only 'physical' infrastructure (squares, streets, paths etc.) and not 'social' infrastructure (as schools etc.) can be subject to development agreements
- Only when the urban development results in extraordinary expenses, these expenses can be charged to land owners through development agreements (e.g. a higher quality or standard of the planned infrastructure)

With these limitations the new agreement tool may only contribute a little to urban (re)development
The New Local Planning Tools

Section 15 in the Planning Act states the issues which can be regulated in a binding local plan. In 2007 three new issues of relevance to urban regeneration areas were added to this 'local planning catalogue':

21) Insulating new residential housing against noise in existing residential areas or areas for mixed urban uses

23) The use of waters in an urban regeneration area

24) The design of installations on waters in an urban regeneration area

Particularly, no. 21 appears to be useful as it provides the necessary noise abatement measure for the municipalities to start re-development in all noise-exposed areas.

The Total Extension of the Statutory Toolbox

2003:

- The possibility to designate special 'urban regeneration zones'
- The possibility to use some special-purpose tools within these zones (i.a. a transition period cancelling the normal noise standards)
- The possibility to plan the sequential order of the transformation of these areas

2007

- Development agreements (at the request of property owners)
- New local planning issues

Is this sufficient compared to the urban regeneration challenge in practice?
The Adequacy of the Statutory Toolbox

- Cases show that the recent development of the statutory toolbox significantly contributes to problem solving in practice
- However, the cases also show that some kinds of challenges cannot be met by means of the present statutory tools
- Three urban re-development projects planned in the years up to the first amendments to the Planning Act (2001-2003):
  - The Inner Harbor in Odense
  - The East Harbor in Aalborg
  - The Sluseholmen Project in Copenhagen
Case 1: The Binding Local Plan

- The area is almost abandoned
- A considerable development potential

Facing a dilemma:
- Development vs.
- Potential conflicts (especially noise) from going companies outside and inside (a single company) the area

Case 1 and the New Tools

Problems and challenges
- The future land use
  Surrounding enterprises with considerable noise emissions vs. housing
- Total clearance of the inner harbor
  A running engineering workshop located centrally in the area with no interest in moving out of the area

New Tools
- Designation as ‘urban regeneration zone’ and use of an eight year transition period to reduce noise impacts
- No new tools to handle complexity regarding property structure and land user interests, or to cover economic losses in connection with re-developments
Case 2: The East Harbor in Aalborg

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Case 2: The Binding Local Plan

Adaptation to adjacent land uses influenced the local plan in a very decisive way

Sub-areas:

- **III**: 100 meters buffer zone with no building possibilities
- **I, II and IV**: Mixed urban uses (no housing)
- **V**: The area 'leftover' for housing
Case 2 and the New Tools

Problems and challenges

- The sequential order of the overall transformation of the harbor areas
- Noise from enterprises on adjacent areas
- Traffic noise - preventing location of housing in the southern part of the area
- Dust and smell from feeding stuff companies

New Tools

- Designation as ‘urban regeneration zone’ and regulation of the sequential order, plus…
- … use of an eight year transition period to reduce noise impacts
- The possibility to require insulating against noise in new residential housing
- No new tools – only noise impacts can be handled

Case 3: Sluseholmen in Copenhagen

The opening project area
Case 3: Initiating Development

- A general call for re-development of the harbor of Copenhagen
- A general need for new housing in the city
- A master plan for re-development of the South Harbor was prepared
- The Sluseholmen project area: solitary situated and no problems deriving from environmental impacts
- However, land owners and developers were doubtful on the profitability of the project
- Instead, in 2003 the municipality entered into a PPP together with the Port of Copenhagen to run the land acquisition, site preparation and putting the plots up for sale

Case 3 and the New Tools

Problems and challenges

- To kick-start the re-development process in the South Harbor
  – in accordance with the master plan
- To fund the land acquisition and the site preparation and ensure that the first 1000 (of 5000) dwellings were erected
  – in accordance with a special urban design concept

New Tools

- The PPP was formed on the basis of the ‘municipal authority’
  (general and un-written legal basis, based on case law)
- No new statutory tools have been added …
  … to ease the organizing of the re-development process
  … to fund potential economic losses possibly occurring in connection with necessary but high-risk regeneration projects
Conclusions

• The statutory toolbox has been extended by amendments to the Planning Act in 2003 and 2007

• The new tools must be considered very relevant to problem solving in practice

• However, the statutory toolbox still appears incomplete, especially regarding some organizational and economic issues

Thanks for your attention