

Urban Renewal, Redevelopment and Slums Transformation



کریں گے اہل نظر تازہ بستیاں آباد

Business Model and Way forward
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What is Slum?

A *slum* is a highly populated urban residential area consisting mostly of closely packed, decrepit housing units in a situation of deteriorated or incomplete infrastructure, inhabited primarily by impoverished persons.

WORLD BANK's definition:

Informal settlements with poor quality housing, limited access to services, high densities, and often insecure land tenure.

WHO [World Health Organization]'s definition:

..... is lands of informal economies, social exclusion, poor housing and underdevelopment.



Why slums are formed

There are two main reasons why slums develop:

- Population growth
- Lack of Governance by Urban Planners

1. Population growth:

Since population grows in the natural process, in cities, “serviced land” being scarce and so expensive in cities, rural/urban migrating population develop slums.

2. Urban migration:

Countries around the world are urbanizing rapidly as more people migrate from rural areas to the cities.

The pushing and pulling forces of migration are sustained ecological changes, better job prospects, education, health facilities, and hope for a better living for the next generation.

1. Governance:

Slums are created due to bad governance, absence or abuse of Urban Plans. Town planning is oftenly not strictly adhered and respected.

2. Zoning: is also not followed strictly, which is prepared by Urban Planners, and reviewed by high power

3. Urban Plans to be:

- Mostly not prepared by established and knowledgeable planners like Surbana Jurong-Singapore
- Higher authority, like a Parliament’s Committee, notable citizens, etc. should ensure supervision of implementation and changes etc .



Factors contributing to Urban Slums Creation

- Massive Urbanization to major metropolitans
- Population Growth
- Depletion of existing housing stock
- Changing size of persons per household (a socio-cultural phenomenon)
- Cities growing in circles around inner circles, rather than developing new satellite towns
- Need to live close to place of work
- Failure in redefining city limits with progressive Master Plans (urban/rural re-zoning)
- Land prices force poor into suburbs with no civic amenities, transport, utilities, while Slums in cities provide that at indecent levels



Unplanned Urbanization Leading to Urban Congestion and Slums

Urbanization:

- World Urbanization in 2010 is 51%, and by 2030 this would be around 61%
- Cities in developing countries are expected to absorb 95 per cent of urban population growth in the next two decades, increasing the slum population by nearly 500 million between now and 2020.

Slums:

- One billion people live in slums. That's one out of seven of us. Unless urgent action is taken, 1.4 billion people will live in slums by 2020
- Cities account for some 70 per cent of global GDP and city slums are often economically vibrant; around 85 per cent of all new employment opportunities around the world occur in the informal economy
- Slum dwellers grew from 777mn to 850mn during 2000-2010
- Positive factor: 227 million moved from slums; doubling MDG goals
- World needs 4,000 houses an hour to keep up with demand (UN-Habitat)

Source: Homeless International <http://www.homeless-international.org/About-Slums>



Urban Realities – A glimpse into reality





Slums improvement/redevelopment: Some success stories of the past

- Orangi Pilot Project Karachi
- Liyari Expressway resettlement projects
- KKB-4 by Ansaar Management
- Safia Homes Faisalabad
- Slums improvement project by Akhuwat Foundation Lahore.
- CODI-Thailand, a best practice case



Orangi Town, Karachi

- Orangi Town is a town in the northwestern part of Karachi, Sindh, Pakistan, spreading over 22 square miles
- Orangi town has a population of approximately 2.5 million although government records report 720,000 inhabitants (1998 census). It could be the largest slum in Asia, possibly surpassing Mumbai's Dharavi in terms of population.
- The population began to grow from 1965 onwards as a residential extension to the Sindh Industrial and Trading Estate (SITE)
- Orangi also comprises of several new developed middle class areas and housing-societies that are still considered slums for statistical purposes, since they lack basic facilities that are provided to most homes.
- Orangi received the world's attention when local community financed, designed and built their own low-cost sewerage system, since the city municipality refused to allow the sewer system to be connected to the existing city sewers due to Orangi's unauthorized status Orangi Pilot Project was initiated by Akhtar Hameed Khan in 1980)

Source: http://en.wikipedia.org/wiki/Orangi_Town



Orangi, Karachi Pakistan



Source:<https://www.google.com/#q=sewerage%20system%20of%20Orangi%20Karachi>



Pakistan, Karachi-Liyary River: Resettlement and Rehabilitation Project

Houses-Past



Houses- Present



Liyary River-Past



Liyary River-Present





Ansaar Management Company (AMC), Pakistan

AMC provides housing solutions to the lower income segments of society, increasing their access to *formal credit*, a *healthy community*, and a *sustainable environment* through building an efficient business that is scalable and replicable



A pro-poor habitat under development in Lahore, Pakistan (KKB-4)



Safiya Homes, Faisalabad 1/3





Safiya Homes, Faisalabad 2/3





Safiya Homes, Faisalabad 3/3





Self-sustained Communities: Transforming Slums into Decent Habitat

- CODI was established in 2000
- A public sector organization having flexibility in organizational management
- Main objective is to strengthen poor community organizations and Community Welfare
- Citywide slum upgrading (“Baan Mankong”)
- Poverty Alleviation (Supporting communities in savings, credits, loans and community development plan, etc.)
- Assisting in setting up of Community Organization Councils throughout the country
- Promoting natural resource management, sustainable agriculture, solving land and housing disputes
- To make people the owners and key actors of the process, not CODI
- To coordinate with govt. agencies, NGOs and other civic groups
- To promote community-based savings and make use finance as a tool for development



Self-sustained communities are equipped with:

- Social Infrastructure:
Health, Education, Community participation
- Physical Infrastructure:
 - Internal: Roads, Electricity, Sewerage, Water, Playground
 - External: Roads, Communication, Transport
- Economic Infrastructure: Commercial opportunities.
- Location.....maximum one hour commuting time to job
- Energy efficient affordable housing
- Off-Grid, then equip communities with alternate energy sources

Affordable housing should be more than just a roof over someone's, Decent Habitat creates solutions that help residents and strengthen communities.



Baan Mankong Chantaburi – a CODI project

Before



After





Way Forward (Slums Redevelopment/Rehabilitation - Proposed Projects):

- PM is keen to see launch of this program under various business models
- The design of the program will be prepared through assistance from multilateral aid agencies like World Bank/IFC
- Urban Unit of Punjab is working on a market based program for regeneration/redevelopment of Wahdat Colony Lahore. It is Housing Colony for Govt Employees, covering an area of 225 Acres, at a highly centralized location.
- Karachi: Martin, Clayton, Jamshed Quarters, Pakistan Quarters . IFC has also identified a Govt. Servants Colony in a very dilapidated condition, to assess its possible regeneration.
- Once best practice market based models are initiated, the program will be started on a large scale all over country.

Qarde-Hasana Loans through NGOs for poor for urban regulation – Akhuwat Model

- PM has already announced Rs.5 bn for Interest Free Loans through Akhuwat Foundation and other such NGOs.
- Target market for such loans is very poor segment of the population living in low-income habitat
- Under PM Housing Program, Akhuwat, an NGO, has already identified about 15,000 clients for housing microfinance, and has started financing to deserving people.
- Akhuwat is targeting to support/develop 150,000 housing in its first year, once the funding is available.



Lahore: Wahdat Colony - Area 220 Acres





Wahdat Colony, Lahore, Redevelopment Plan

Project Concept

- Transform Wahdat Colony
- From a **Low Density**, Low Quality Government Housing Colony
- Into a **Vibrant Mixed-use** Higher Density Development
- Leverage its Central Location
- Generate **Revenue**
- Better Government and Affordable Housing Units
- New Commercial Hub near the City Center





Wahdat Colony, Lahore Central Location





Wahdat Colony, Lahore, Background

- Established in 1955 to house Punjab govt. employees
- Dilapidated condition of housing and infrastructure
- Currently there are around 1.850 'families residing in these quarters
- All government officials entitled to live in this settlements
- Most of them have been living there for decades, even for generations
- Show full plan to all the allottees (except costing/revenue
- Take the union leaders and residents into confidence



Wahdat Colony, Development Strategy

- Promise to be **vacated** once the new apartments are ready
- Develop in **phases, block wise** (plan presented ahead)
- Unique Mixed Use Development
- Must accommodate the rules and regulations for flexible:
 - FAR
 - Land use types
 - % of allocation of land uses
 - Building regulations
 - Building codes
- Institutional Design
 - Proposal Preparation
 - Cabinet Approval
 - Notify PMU / SPV (Urban Unit + IDAP)
 - Preparation of Detailed Feasibility &
 - Master Plan
 - Detailed Design
 - Infrastructure Upgrade
 - Phase Wise Implementation
- PMU/SPV to manage development
- PPPP to build (in return for commercial plots)



Wahdat Colony, Lahore, Redevelopment Plan

Project cost and revenue

ZONE DESCRIPTION	COST	REVENUE
Premium Commercial	504,000,000	42,900,000,000
Educational & Public Building	3,608,760,000	1,640,000,000
Government Residences	7,475,375,000	-
Social Housing	3,353,775,000	5,700,000,000
Mid Range Commercial & Residential	3,429,000,000	9,000,000,000
TOTAL	18,370,910,000	59,240,000,000
NET PROFIT		40,869,090,000



Karachi: Martin Quarters, Jamshed Quarters, Jahangir Quarters (Pakistan Quarters (Land belong to Federal Government)).

- A survey, based on site visit and Google Earth Mapping reveals that total area of the site, which over the years has transformed into over crowded slums, is around 320 Acres.
- The area is sort of a triangle, situated in heart of the city, surrounded by Jamshed Road, Martin Road and Jahangir Road, as arms of the triangle.
- Under proposed redevelopment plan, it is proposed to develop commercial areas of 10-15 acres each on the three corners, and mixed high-rise housing inside
- Sale of these commercial areas is expected to generate large amounts of funding to support a cross subsidy for development of residential habitat.
- We can benefit from the proposed Wahdat Colony redevelopment model
- After success of this, more such projects could be initiated like Baloch Colony.



Financial way-forward for slums improvement, redevelopment and resettlement

- Create Self financed revolving fund beginning from surplus funds from Wahdat Colony redevelopment: Urban Unit estimates that with all self-financing of Wahdat Colony redevelopment, as explained in previous slides, a minimum of Rs 40 B is likely to be surplus.
- It is suggested that this money to be contributed to a **Slums Improvement, Redevelopment and Resettlement Program Punjab**. This fund may be used as initial funding needed to initiate another such projects.
- At project completion this amount and any surplus from that project to be deposited back into this revolving fund.



Slums Resettlement and Redevelopment: Case of Mumbai-India

- Mumbai is among the very dense cities on the global scene, facing challenge of urban congestion and slums development like in case of Karachi.
- In the recent past, the Government has initiated a slums improvement and redevelopment program, with active involvement of private sector.
- State has declared some regulatory concessions for the developers like relaxation in FARs, FSI, etc.
- It is being done in piecemeal, so as not to create a chaos,, but facilitate a smooth transformation
- Government announces basic terms which a developer has to meet, like what habitat after redevelopment a developer will offer to the current residents
- Developers then approach the residents with their rehabilitation/redevelopment plan, and what offer they will make to the existing residents.
- Once a developer secure consent of 2/3rd of the residents, that proposed plan is binding for all and so the plan goes for execution.
- After introduction of RERA-India (Real Estate Regulatory Authority), the developers a regulated/monitored by RERA to deliver as per approved plan and time schedule.



Urban Regeneration/Renewal

Defined as:

“Comprehensive vision and action which leads to the resolution of urban problems and which seeks to bring about a lasting improvement in the economic, physical, social and environmental conditions of an area that has been subject to change”

(Source: Urban Regeneration-A Handbook” – Roberts and Sykes 2000)

Urban Renewal Plans regulate specific geographies ranging from small business districts to entire communities.

Urban regeneration is the attempt to reverse that decline by both improving the physical structure, and, more importantly and elusively, the economy of those areas.



What is Urban Regeneration and Renewal

- The process where an urban neighborhood or area, which gets over congested and destroy all norms of a decent/civilized habit, is improved, redeveloped and rehabilitated under Urban Regeneration.
- Urban renewal is a comprehensive plan to redress a complex of urban problems, including indecent, deficient, or obsolete housing; inadequate transportation, sanitation, and other services and facilities; haphazard land use; traffic congestion; and the sociological correlates of urban decay, such as crime.
- Renewal of a city and redeveloping it under a revised and improved Master Plan is done with technical assistance and supervision of experts, generally coming from countries having demonstrated “best practice” examples like Singapore.



Models for Urban Regeneration

- Government led Initiatives
- Public-private partnerships





World Bank/IBRD tools for urban regeneration



- **The scoping phase**

Scoping is a process, which provides decision makers with a strategic assessment to identify and promote regeneration. Scoping provides an analytical foundation and engagement process.

- **The planning phase**

The planning framework establishes the long-term vision and context. The planning phase must detail all the vital elements or assets of the regeneration project, including land, community, and the environmental issues.

- **The financing phase**

Financial tools involve direct financing assistance for a regeneration project such as various value capture methods (impact fees, special assessments, exactions).

- **The implementation phase**

Implementation phase entails translating the vision for long-term change into the financial, contractual and institutional relationship between the public and private sectors.

Source <https://urban-regeneration.worldbank.org/>



Singapore:

Urban regeneration following WB's process

Singapore was the worst slum at its independent in 1965. Its leadership transformed it into a best designed city in the world. The process was carried out in two stages under technical supervision of Town Planners/Architects/Developers (Team at Surbana-Jurong)

World Bank's study of Singapore situation

WB's case study provides an overview of how the urban renewal process worked through a series of legislative, policy and government organizational reforms. It highlights three developments along Singapore's urban waterfront carried out during different periods. Unlike most other cities in the world, Singapore is both a city and a state, requiring effective governance and integrated long-term planning to strike a balance between economic, social and environmental goals in its urban-national territory.

Detailed case study and findings can be found in the following links:

Source: <https://urban-regeneration.worldbank.org/node/72>



Singapore, the benchmark of successful economic development

Singapore Yesterday

1960s

World Bank holds Singapore up as model of development, pointing to sound policies in urbanisation

Source: *The World Bank's World Development Report 2009*

Singapore Today

The "Miracle" Transformation

Today

From 3rd World to 1st in One Life Time!



A brief on Surbana Jurong – Public Sector Company Behind Transformation of SINGAPORE

Surbana Jurong is one of the largest Asia-based urban, infrastructure and management services consulting firms with close to 70 years of track record in successful project delivery. The Company has outlets and working in many countries around globe, including besides Singapore itself:

- Australia, China, Canada, India etc.

In Gujrat, India, it has held a 15,000-unit affordable housing projects. The projects are built in line with Singapore's distinctive public housing features, such as void decks, as sky gardens, outdoor dining areas, meditation decks and play lawns and all other modern lifestyle amenities. The projects have been modelled after the best of Singapore's public housing design and adapted for Gujarati context

Other prominent projects in India are:

- Kolkata East-West Metro Line, Mumbai Metropolitan Region Concept Plan, Pimpri Chinchwad Smart City.



Glimpses of Surbana Jurong Projects – I/2

In India



In China



Slide 35

- SSH5** Central community space flanked by apartment blocks that are modelled after the best of Singapore's public housing design and adapted for Gujarati context
Syed Sayef Hussain, 17/12/2019
- SSH6** Engineering & Specialist Services, Master Planning.
Syed Sayef Hussain, 17/12/2019
- SSH7** Longping Modern Industrial Park,
Development Management
Syed Sayef Hussain, 17/12/2019
- SSH8** You You Grand Sheraton International Plaza,
Architecture & Landscaping, Master Planning
Syed Sayef Hussain, 17/12/2019



Glimpses of Surbana Jurong Projects – 2/2

In Australia



Slide 36

- SSH12** Adelaide Desalination Plant,
Architecture & Landscaping, Engineering & Specialist Services
Syed Sayef Hussain, 17/12/2019
- SSH13** Three Rivers Irrigation Project,
Asset & Integrity Management, Facilities Management, Quantity Surveying & Cost Management
Syed Sayef Hussain, 17/12/2019
- SSH14** Snowy Mountains, Australia,
Concept & Feasibility Studies, Engineering & Specialist Services, Construction Management
Syed Sayef Hussain, 17/12/2019



Recommendations 1/2:

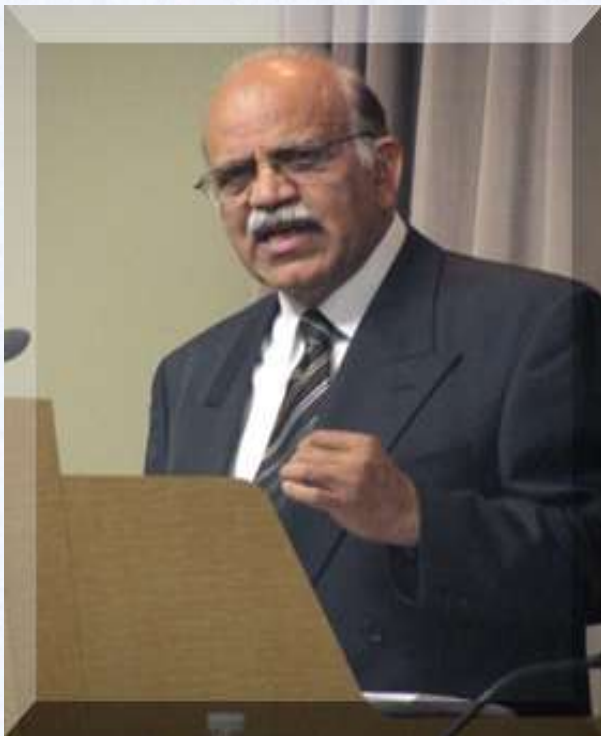
Slums: Improvement Redevelopment and/or Resettlement

- Complete of Wahdat Colony Project by private sector developer under supervision of Urban Unit-Punjab and Ministry of Housing Punjab
- The project to be executed under PPP Model, to be designed under TA from IFC. That will ensure transparency and efficiency.
- Seek Technical Assistance from IFC, who have shown interest. IFC's PPP Wing is to provide its TA, based on its global experience of such projects. MoH would have to write a letter to IFC, seeking its technical assistance (TA) and for vetting of PPP Model.
- Create a "Revolving Fund" for Slums Redevelopment, to which surplus from a project will be deposited for use in such projects in the future.
- Urban Unit Punjab to start working on such more projects of Urban Renewal and/or Redevelopment



Recommendations 2/2:

- Pakistan needs to take benefits from other experienced countries in Urban Renewal/Regeneration, as it has no prior experience this regards. Singapore may be the first choice, as it has the “best practice” example in this area.
- In a meeting with the PM, it was decided to seek Technical Assistance from Surbana-Jurong of Singapore, as the agency had done City and Town Planning of Singapore.
- Mr. Zaigham had approached Surbana-Jurong and its high level delegation is willing to visit Pakistan to explore this TA.
- There is a possibility to get this TA from Singapore on G2G basis.
- The Ministry of Housing/Ministry of Planning to formally approach Surbana-Jurong/Govt of Singapore for seeking its TA
- To start with, we may select cities like Karachi, Peshawar, Lahore and Quetta too.



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- Affordable Housing Institute-USA (AHI)
- Enclaves-USA (ShoreBank Int'l)
- State Bank of Pakistan (The central bank)

The information has been compiled by Mr. Rizvi from self study and from different sources.