

Thirty Years of Urban Regeneration in Rotterdam

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Abstract

This paper explains how urban renewal plans have responded to new conditions and requirements, caused by changes in the population and in social structure.

It evaluates the urban renewal plans that the city of Rotterdam launched in the 1970s, and which drew international attention at the time. With this plan, Rotterdam addressed the decay of housing and facilities in urban areas. The policies combined social housing development and the modernization of building and living conditions with the participation of residents. The paper shows that human habitat and community building are important factors in urban renewal strategies, and that effective urban renewal projects should address two key issues: 1) they should take an integrated approach to the physical, environmental, social and economic programmes; and 2) they should provide sustainable solutions instead of quick fix interventions that do not stand the test of time.

1 Introduction

Last decade the need to combat decay of obsolete housing and services in urban renewal areas has been recognized by every major country in Western Europe, including the Netherlands [1]. Urban regeneration including urban renewal, in general, can be considered as developing an approach in a complex urban context which includes a variety of spatial scales, sectors, actors and disciplines. Urban regeneration needs to respond to changing contexts with new economic concentrations in cities that are accompanied by new markets for new population groups within the current urban population [2]. This situation is sometimes in conflict with the living conditions of specific groups in the urban population trapped in economic difficulties, excluded from opportunities and rights enjoyed by socially integrated members of their communities. The other side of the same coin with as the common underlying factor a change in economic structure caused by global competition and technological innovation [3]. Urban regeneration needs to respond to new conditions and cannot therefore be a static phenomenon. Two basic concerns have become part of the agenda in all new strategies for urban regeneration, namely the search for lasting solutions and an integrated approach to physical, environmental, social and economic programmes.

Urban renewal was and is an important issue in the Netherlands and particularly renewal of the city of Rotterdam was an interesting example nationally and internationally in the period 1975-1993 [4]. Due to large investments, financial and social capital, large parts of old neighbourhoods have been modernized. Fundamental changes on labour and housing market put the housing question of the constructed buildings, environments and living conditions on the agenda again. New approaches taken

in the 1980s and 1990s led to a degree of integration of social, economic and building policies. Most of these programmes of social renewal, subsequent Big City policies (*Grote Stedenbeleid*) and neighbourhood approaches started in Rotterdam and were later adopted by the central government. Against this background, an evaluation of the results of what was a historically unique approach is very much worthwhile, particularly because urban renewal policy, as part of urban regeneration, has to deal with a new context with privatization and market driven as main topics [5, 6].

2 Urban renewal, urban regeneration and sustainable development

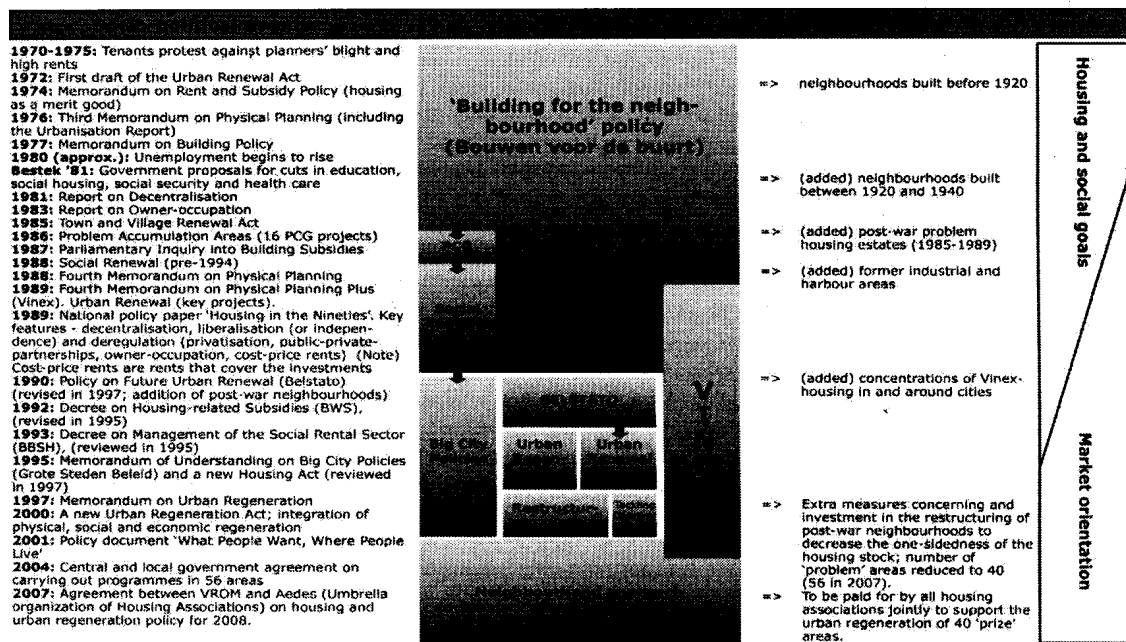
Cities change with time. The 1970s saw a fundamental change in policy on urban renewal (see Illustration 1). Besides placing a greater emphasis on rehabilitation and improvement rather than demolition of existing building stock, the approach called for participation of current residents in the renewal process and decentralized control. The approach involved the decentralized direction of the entire process by local authorities and tenant groups working in cooperation. The fact that priority access to new or modernized housing was given to the lower paid made the aims of building-for-the-neighbourhood (*bouwen voor de buurt*) unique in the history of social housing. Building-for-the-neighbourhood meant that the then present tenants got priority with regard to the improvement of their housing and living conditions.

By the end of the 1980s a market oriented approach and the recognition of new sets of problems and challenges had become dominant in much of Europe. What was new in this approach was the acceptance of the need to take into account environmental objectives related to sustainable development. In the Netherlands urban renewal became more or less part of a more comprehensive form of urban regeneration of a city or region. One of its core activities relates to the functional obsolescence of buildings and the changing requirements of their users. Years of experience with urban renewal processes have taught what matters is not just physical decay but also a complex of social and economic issues. Roberts [7] summarized the essential features of urban regeneration by defining it as: "comprehensive and integrated vision and action aimed at the resolution of urban problems and seeking to bring about a lasting improvement in the economic, physical, social and environmental condition of an area that has been subjected to change". The main components put are essentially a strategic activity, including economic regeneration and funding, physical and environmental aspects, social and community issues, employment and education (including training), and housing. This may be achieved through public private partnerships or other modes and with overall strategic framework for city-wide development.

In 1987 the report of the Brundtland Committee [8] introduced sustainable development in a worldwide policy guideline. The committee pleaded for sustainable development 'to ensure that development meets the needs of the present generation without compromising the ability of future generations to meet their own needs' [8]. The point here is that besides its consequences for the here and now, the way of developing affects the long-term prospects of the earth and its inhabitants. In this tradition that sustainable development involves reaching a new balance between rich and poor, today and tomorrow, mankind and nature. Castells [9] indicates the need for a concept of dynamic sustainability, combining conservation and improvement, leading to a better quality of life and greater social justice. This, combined with the process-oriented characteristics of urban development, meant that there was a need for a more dynamic approach to sustainability and urban planning. Matters requiring attention included urban growth and the environment, partnership and finance, and social inclusion and cohesion [10].

For our research into sustainable urban regeneration we have chosen a dynamic concept directed at the integration of physical, economic and social factors. Sustainability will therefore be interpreted here as that quality of a residential situation or dwelling which is suitable for continued use by its residents and permits improvement in their physical, social and economic conditions [4].

Illustration 1: Evolution of Dutch urban and housing policies



3 Urban renewal and integrated policies

Between 1975 and 1993, urban renewal and social housing had a major effect on urban planning in the Netherlands, particularly in its major cities. In this respect it should be noted that The Netherlands has the highest proportion of social housing in the EU, about 33% of the housing stock, and in the large Dutch cities this percentage can be as high as 50%. In 'building for the neighbourhood', social and physical objectives were closely associated. According to politicians and scholars, the 1970s saw signs of segregation based on residents' characteristics, particularly in urban renewal areas. Subsequently, in the 1980s, more attention was paid to other aspects besides social housing. From the 1980s onwards the development of urban and housing policies, including social housing, was characterised by an increasing separation of social and physical measures as, for example, separation of housing and spatial planning (see Illustration 1). Economic measures led in to radical changes in expenditure on social housing, health-care and social security. Although the period before the beginning of the 1980s saw the repair of some of the ill effects of urban renewal caused by the separation of social and physical aspects, from 1986 onwards the different aspects of urban policy became separated from one another again. The policies of different ministries as regards objectives, available resources and even the designation of problem areas, moved further and further away from one another, creating a real patchwork of urban policies and problems. Social measures were brought under the 'problem accumulation areas' policy. This policy was concerned with social renewal and urban problems, and characterised by an increase of the opportunities available to the long-term unemployed and poorly educated, by improving quality of life and social security, and by measures to stimulate the integration of minorities.

The beginning of the 1990s saw an increase in socio-economic problems in the larger cities. Policy however was mainly concerned with privatisation. Urban housing policy was characterised by a decrease in the resources made available by government and a greater dependence on private initiatives. The combination of urban renewal and decreased priority for inner-city regeneration led to increased pressure on economic aspects. At the beginning of this millennium the integral approach

returned to the scene in the former urban renewal areas through the reintroduction of the area approach, the designation of priority areas and the designation of 'prize areas' (*prachtwijken*) in 2007.

4 Urban renewal and urban regeneration in Rotterdam: 1974-1993

In the course of the 1970s, residents in parts of Rotterdam due for urban renewal, like residents in such areas in other cities, became actively involved in actions pressing for the improvement of their housing situation. The post-war policies with their mass model of housing provision were no longer able to meet the special needs and requirements of tenants in old city areas. Their poor housing conditions were an important reason for the change in policy that took place in 1974. Apart from the poor quality of housing and the residential environment, other important factors included the possibility (or impossibility) of improving the housing situation and reducing social and economic deprivation. A cooperative planning and housing model was developed to manage this improvement. Special attention was paid to the lowest paid and to those individuals who could be considered vulnerable members of society (the old, the socially weak and people subject to discrimination). This meant for example providing affordable new housing for residents of the old areas – sometimes – including brownfields. The principles underlying the new urban renewal strategy were:

- 'Building for the neighbourhood', i.e. working in line with the needs and requirements of the population of the areas subject to urban renewal, thus avoiding forced removal and displacement.
- Decentralisation and democratisation, meaning that decisions about renewal measures should not simply be taken centrally by municipal departments, but should take account of input from and participation by the residents of the area involved.
- Socialisation of the housing provision, resulting from the council's view that private landlords were responsible for much of the deterioration. Because these owners had made no investment or too little investment to maintain their properties, an attempt was made to bring their properties into the social sector by the use of compulsory or voluntary purchase..

Four conditions were significant to the implementation of a 'building for the neighbourhood' strategy:

- Organisational, i.e. project organisation and the concentration of administrative machinery;
- Legal, i.e. the already mentioned VOS, the change of tenure by a purchase programme, the draft Town and Village Renewal Act (*Wet op de stads- en dorpsvernieuwing*);
- Financial, i.e. the urban renewal fund and subsidies in connection with social housing;
- Rules for the distribution and allocation of housing.

Organization. The instruments introduced by Rotterdam for the organisation of urban renewal included project organisation and the revision and de-concentration of the administrative machinery. The project groups functioned under the direct responsibility of the city council and the council's urban renewal steering group, and were made up of delegates from residents' organisations, civil servants and (in the 1980s) representatives of housing associations.

The residents were directly involved in setting up new housing and modernisation projects. Rental levels were established and the majority of the dwellings were allocated before the design process began. Decisions about floor plans were made by future residents during the design process, making it possible to build in such a way that immediate demand was satisfied and proper attention was paid to usability and to matching dwelling size and number of rooms with residents' wishes and demands. This led to many of the plans becoming quite complicated. Assessment of the cost/quality ratio was supported by a methodology, devised by the quality and quantity team, based on comparison with plans carried out earlier, so increasing control of the budgets of architects and contractors.

Legal instruments. The legal instruments used by Rotterdam included the VOS, the draft Town and Village Renewal Act (*Wet op de stads- en dorpsvernieuwing*) and the administrative instructions policy. Moreover in the period up to and including 1982, almost 34,000 dwellings and 4,300 units of business accommodation were purchased by the municipality from private landlords in these eleven

urban renewal areas. Apart from the purchase programme, the city put pressure on private owners to maintain their property.

By the end of the 1970s urban renewal was being supported by the inclusion of a proliferation of specific budgets in an urban renewal fund. The Town and Village Renewal Act (*Wet op de stads- en dorpsvernieuwing*) came into force in 1985; with it came a total of 19 separate subsidies (included in the urban renewal fund) that were distributed amongst municipalities annually in fixed proportions. Two other laws, adopted at the same time, laid down the priority rights of the local government in respect of the acquisition and control of unoccupied property. Thus urban renewal legislation showed clearly that Dutch legislation, after a proper experimental period, followed actual practice.

Financial. The main financial instruments employed were those required for the purchase programme, the urban renewal fund and housing construction subsidies and allowances. Like the social housing subsidies, the special (low) rent policies for building in urban renewal areas also formed an important condition. In the period 1985-1993 the municipality of Rotterdam had yearly nearly 70 million euro available from the Dutch urban renewal fund and approximately 200 million of housing production subsidies [11].

Housing distribution and allocation. The distribution rules, which were laid down by the local government for all urban renewal areas, read as follows: modernisation should in the first instance benefit sitting tenants; 85% of new housing should be allocated to applicants from the neighbourhood; local authority should allocate the remaining 15% to urgent cases drawn from the municipality; local authority should be able to lay claim on 50% of the housing stock in private ownership for whatever candidates it nominated.

At the end of the 1980s greater emphasis was put on the status of the urban renewal areas in the city as a whole. Preparation of urban development plans started considering the functioning of the city's housing market and the relationships with surrounding areas and boroughs. Future production should match the heterogeneity of the population in a better way by increasing the differentiation within the housing stock by more variation in housing typology, housing size, price class and type of financing. The 'building for the neighbourhood' strategy came to an end at the beginning of the 1990s.

5 Reflections on the 'building for the neighbourhood' period

Almost 60% of the total housing stock in the old areas was radically improved by new housing and modernisation of housing. A third of the housing production in Rotterdam as a whole took place in the so-called inner-ring. Additionally, 45 primary schools and a large number of new welfare provisions (community centres, medical aid centres and so on) were built in the old areas (inner and second ring). Moreover, urban renewal included the realisation of 220,000m² of retail and commercial space. In 1976, 54% of the housing stock was structurally poor, whereas after urban renewal this proportion fell to no more than 8%. After 1993 poor quality dwellings were mainly concentrated in the housing stock supplied by private landlords. The purchase of private properties was an important instrument in the urban renewal strategy. It meant that almost 69% of all private properties became social rented properties.

For reflections on the 'building for the neighbourhood' period, a distinction should be made between changes in conditions for urban renewal brought about through external developments and those which could be traced back more or less directly to the urban renewal policy itself, i.e. the building of social housing for the neighbourhood population and purchasing housing from private landlords by the local government.

External developments are taken to include the economic recession, unemployment and changes in the structure of employment, the affordability of housing costs, changing ratios of immigrants to natives,

social and cultural changes and new relationships between central government, municipalities, housing associations and residential groups.

Economic developments in the 1980s including an economic recession, had a radical effect on urban renewal. Area-based activities declined in the wake of national developments. A number of large industries and service companies moved to the edge of the city or beyond. Two thirds of the total loss of jobs in Rotterdam's urban renewal areas took place before 1977 i.e. before urban renewal had really got under way. About 18% of the loss of employment can be ascribed to external developments, i.e. the economic recession, and not to urban renewal itself [12].

Another point of reflection concerns if the changes in composition of the population led to changes in the social infrastructure and social networks. New urban lifestyles, not based on the traditional family, clashed with more traditional lifestyles. Many urban renewal areas had formerly occupied a position on the housing market as part of a transitional zone, in which accommodation was partly occupied by recently arrived house-seekers such as students and immigrants. In the meantime a highly heterogeneous area, but nonetheless an area where moving house became less frequent, was coming into being in which 'residents of old' and 'new urbanites' - several of which practised new forms of cohabitation, were better educated and lived a more luxurious life - were housed and lived next to one another. The new situation, which could be classed as one of stable heterogeneity, required those involved to reshape social relationships.

6 From the 1990s onwards: Urban regeneration

The new approach embodied a new, limited financial involvement and this was probably one of the most important reasons for these new objectives. However, in the period 1994–1997 the housing production failed to reach the planned level, with the result that in the planning for 1998–2002 housing production was reduced by 13%, to an average of 3,000 dwellings per year. Thereafter building production fluctuated substantially. After the production of only 1,400 dwellings in 2003 and 2004, 2005 saw the realisation of 3,000 dwellings. In Rotterdam's urban renewal areas between 1998 and 2001, the proportion of cheap accommodation was reduced to 35% of new housing. Together this meant that the proportion of free-market dwellings rose to approximately 60%. In urban renewal areas in particular, however, difficult and more expensive plans were pushed through, so that according to the local government relatively too few free-market dwellings were produced. The declared aim of improving privately-owned dwellings came nowhere near to being achieved, mainly because of too little initiative on the part of private owners.

The general strategies were based on the use of specific features of the city, such as the river, the harbours, the canals and so on. These strategies concentrated on the intensification of the existing urban area in combination with high-quality public transport and services. Residential environments were developed for specific lifestyles, taking account of an increase in the flexibility of labour and the consequences of internationalisation and migration, and in the expectation that phenomena as the home as workplace (tele-working), as school (tele-education) and as shop (teleshopping) were still capable of spectacular growth. The content of the area-based strategy was different for the centre and the other urban areas. To increase the vitality and attractiveness of the centre the aim was to increase the number of residents to achieve a ratio of 1:1 between jobs and dwellings. At the time only 28,000 people lived in the city centre, while the number of jobs was 80,000. According to central government, a great deal of investment will be necessary in coming years to make the city attractive to middle-income and higher-income groups by increasing the number of owner-occupied properties. This objective - attracting higher-income groups - could to a considerable extent already be found in the policy of the city of Rotterdam [13]. 100% of the housing programme in the centre of Rotterdam and the other urban areas was to consist of owner-occupied and private rented housing, with the result that the proportion of owner-occupied housing in the city as a whole rose from 25% in 2000 to 30% in 2005.

The implementation of this policy in the 'urban areas' is uncertain mainly because on the one hand many residents still prefer either to move to single-family dwellings in an attractive residential environment outside the city or to remain where they are, and on the other hand because of the resistance of current residents to the building of expensive housing in their neighbourhood.

Sustainable urban renewal and revitalisation requires more than traditional land use plans have to offer. There was a need to improve planning and develop new methods to deal with new problems. Strategic planning concerns not only so-called flagship projects and helped to give shape to the renewal. At the end of the 1990s economic, social and physical factors were connected again in an approach that combined urban renewal policy, the Big City policy and social investment. In an attempt to develop a complete consensus between all the parties involved, participation models were developed, which were based on cooperation between public and private interests. One problem was that new immigrants and second-generation members of earlier immigrant groups added a new dimension to the achievement of this consensus. On the other hand, groups that had come to live in the old areas in previous decades made a significant contribution to the vitality of those areas. Initiatives taken within the framework of ethnic enterprise could no longer be termed a marginal phenomenon; indeed they had come to provide one of an area's distinguishing characteristics. Thus, as suggested by the Big City policy, an attempt was made to use a local network approach to stimulate enterprise amongst all kinds of ethnic groups. By mid-2000 the cities that were involved in the Big City policy accounted for almost 50% of all enterprises carried on by these minority groups.

In the near future the supply of affordable dwellings will decrease because of the sale of social housing, the possibility of combining affordable dwellings and of demolition to make room for public squares and green space. Given the large share of minority ethnic groups, 60% of the residents in these areas (as against 42% in Rotterdam as a whole), belong to minority ethnic groups and their composition, it is important to remember that many members of these groups will have low incomes when they reach pensionable age and that a lack of training and a low level of education mean that a number of young people entering the housing market as starters will be in no position to buy. Increasing demand, low mortgage interest rates and the fact that mortgage interest is deductible for tax purposes, have meant enormous increases in prices. The purchase of cheap housing is still possible for members of minority ethnic groups because an increasing number belongs to the middle class, but for more expensive housing the buyer profile is dominated by young singles and double-income households with an above average income and Dutch nationality.

7. Conclusion

In the period 1974-1993 urban renewal in Rotterdam has been characterised by a high degree of government intervention and included a fundamental change from the mass model of housing provision - without any participation of tenants - that prevailed since 1945 [14], to a cooperative model. The management of the cooperative model involved the use of significant instruments: e.g. the setting up of project groups, increased participation of tenants, changes in the forms of tenure to match the change from privately owned to social housing, and the Town and Village Act.

The results in the field of housing provision during the period of 'building for the neighbourhood' were positive. Rotterdam succeeded in improving a large part of its housing stock and neighbourhoods. Many residents were given the opportunity to improve their housing situation in their own neighbourhood. The social situation became stabilised and at some sites slightly improved. However, the balance was still shaky, and an integrated approach became important for dealing with the backlog and for introducing physical improvements.

Differentiation, sustainability and the designed quality of residential environments were emphasised, in combination with strategic planning as important elements in giving shape to the new framework

for urban renewal. However, many problems, such as unemployment, proved to be stubborn. There was also much uncertainty about the realisation of the plans especially since 2008, since the economic crisis.

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