

City Building in London and other World Cities

Can London sustain its world class
reputation?





World City Building — how London compares

Urban living is becoming a more important way of life for most of the world's population, half of whom now live in cities. But what we mean by 'city' varies greatly from location to location. In some places, it is the first time experience of dense urban living resulting from migration from rural areas; in others, it is the rediscovery and reuse of centuries-old centres of economic and human activity. Each gives rise to a different range of social, economic and real estate tensions and can result in some very different built forms.

In London, as is the case with most 'old world', pre 20th century cities, there has been a rediscovery of the city. Since the 1990s, the depopulation dating from various points in the 20th century has been reversed and new businesses of many types have once again created revenues which have reversed urban decline and decay. London and New York both started to rise from the ashes of post war decline in the mid 1980s to dominate the world city scene. They remain heavily invested by institutions, funds, private companies and individuals.

The shift in many city economies during the mid-1980s away from manufacturing and toward financial and business services made the location of goods and markets less important and once again put the interactions of people at centre stage.

The importance of human contact has given cities a new currency: there is value in the physical forum and marketplaces that cities provide.

In the Digital Economy of the 21st century, the importance of human interaction on city streets is as great as ever. The rise of new technologies and the creative,

entrepreneurial and agglomerating industry that has been spawned by them is particularly in thrall to the city. Cities not only allow for the inception, nurturing, funding and development of new ideas and products, but actively provide the human experiences and interactions that spark the disruptors in the first place.

Cities like London with growing tech sectors would appear to have assured futures, but only if they can continue to attract young, creative and entrepreneurial workforces and residents.

Real estate developers and investors need to understand the drivers of city success if their location decisions are to be profitable. The type of real estate they provide has to add to the city's success rather than detract from it if the predominance of London as a world city is to be maintained and enhanced. This report looks at how the challenge of building more city is being met around the world and how London fits in. Is London keeping up, ahead of the game or at risk of trailing behind?

Are the late 20th century models of land release, finance and design up to the task of creating a 21st century city or is London, in common with all world cities, facing the demise of the megalopolis and the rise of the super-small-cities?

RENAISSANCE OR NAISSANCE?

After five millennia of cities organised around people and animals, the last half of the 20th century gave us the first 'automobile cities' zoned and organised around the movement of traffic. While this threatened the older and industrial-age cities for a few decades, it is no accident that the late 20th century introduced 'regeneration' and 'gentrification' to the lexicon of real estate as people started to rediscover urban life and repopulate, reuse and reinvigorate previously run-down inner-city areas.

Closer examination of development and building within world cities reveals a rich mixture of urban forms and a great many districts with different characters and a vast mix of commercial, retail, visitor and other uses. All human life is there and the best cities are noticeable for having a wide variety of districts, all catering for a wide range of different occupants. London is one of the best global examples of this mixed and varied urban form but faces significant barriers to growth.

London faces particular barriers to the development of new, authentically London-like urban quarters with the mix, density and complexity of the best-performing London neighbourhoods.

London's growth issues are closely reflected in many other world cities. In this year when London's population exceeds its former 1936 peak for the first time, it is appropriate to look at how other world metropolises are not only accommodating population expansion but encouraging it.



Savills Tech Cities research programme for 2015 looks at how cities have become commercial outlets in the Digital Economy. The work examines how some urban centres are out-performing when it comes to the technology industry by attracting disproportionate numbers of talented people to the city to work in the technology sector. London, along with other major world cities, is also acting as a magnet to human capital, but it has rivals in much smaller cities like Austin, Tel Aviv, Dublin and Berlin, which are able to attract talent not only with the right technology infrastructure but also the vibrancy of the city, quality of life and housing affordability. Overall London ranks 6th in Savills Tech Cities measure.

For more details see www.savills.com/techcities #TechCities

Savills seven 'Cs' of city building

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Canary Wharf provides a good example of how old, industrial land was turned into a financial CBD

CONVERSION

The story in most old, established cities in Europe and the US is of an extensive and fully developed urban landscape offering limited opportunity restricted by planning policy, for physical expansion. Economic development, therefore, depends on the effective use and reuse of existing land supply. We see in almost every case where land is constrained that old industrial land is being reused. London's old docks in the east and its disused manufacturing sites in the outer boroughs are good examples of this type of redevelopment and regeneration, but this can be capital intensive and costly, especially when infrastructure projects, such as roads, transit and decontamination, are needed to open up these sites for public use.



The introduction of the green belt in London has meant that natural land and countryside is relatively well protected for the foreseeable future

COUNTRYSIDE

The development of surrounding natural land as city or suburbs is most common in the emerging economics of the new world. A few cities, such as Shanghai and Dubai, are still expanding into surrounding countryside and desert.



Olympic Park, Stratford, London

GAME CHANGING

Four of our world cities – Sydney, London, Rio and Tokyo – have either had or will have an injection of public money for regeneration projects by hosting the Olympic Games in the recent past or future. This can, and has, been the catalyst for infrastructure projects that these cities need and has or will open up new areas for more intensive urban development.



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In London, the proposal of building a new airport on a man-made island in the Thames Estuary was not approved

SEA STEALING

Some cities are so land-constrained that they have created it by forming islands or an extended shoreline in the sea. This type of expensive development is found most frequently in 'new world' cities such as Hong Kong, Dubai and Singapore, but has also taken place in older Asian cities such as Tokyo, and we even found early 20th century examples of island-making in Miami.



Shoreditch and Hoxton are great examples of how run-down districts have been reinvented and reinvigorated

CREATIVE COLONISATION

World cities have responded to restrictions on sprawling development by re-using and reinventing previously run-down neighbourhoods and districts. Economic regeneration is often led by creative people: artists, designers and tech entrepreneurs who agglomerate in a cheap, run-down city sector, attracted by low rents. When successful, many of these districts become reinvigorated, with more jobs and higher economic activity.



London experienced plenty of change in the 50s, 60s and 70s, primarily with local housing, and this is seen more recently with housing estate regeneration schemes

CHANGE

Some cities, notably Shanghai and Moscow, have demolished significant swathes of the city to build new sectors. Tokyo also has a high rebuild rate but at an individual plot level, as does Hong Kong.



London is notable for its conservation areas. One of the earliest and most notable of the big, commercial conservation projects was Covent Garden Market

CONSERVATION

Another response to limited land supply is to both preserve what is already in place and re-use and intensify its use, recreating it as a visitor attraction and economic generator. The conservation and preservation of old buildings and city districts is often organised at a city level (or international level in the case of World Heritage sites). It goes against the short term consequences of land price inflation and resists high bid rents for the longer-term legacy of historic quarters. Perhaps an unintended consequence is that this has helped create some of the highest value areas, as this legacy is valued by visitors and occupants and eventually becomes monetised.

KEY

- Countryside**
- Sea stealing**
- Change**
- Conversion**
- Game changing**
- Creative colonisation**
- Conservation**



SAN FRANCISCO

- San Francisco Bay (Financial District)
- Bayview
- Mission Bay, Hunter's Point Shipyard
- Hayes Valley/Fillmore, Mission District
- Presidio

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LOS ANGELES

- Port of Los Angeles
- Downtown, Bunker Hill
- Central City East
- Silver Lake, Echo Park
- West Adams

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CHICAGO

- Shoreline
- Bucktown/Wicker Park River North
- Bloomingdale Line

HUNTER'S POINT SHIPYARD: former Navy shipyard under redevelopment as a new neighbourhood for San Francisco, characterised by low rise townhouses, parks, retail and office space.



RIO DE JANEIRO

- Expansion of favelas
- City is largely built on reclaimed land
- Vidigal
- Porto Maravilha
- 2014 FIFA World Cup, 2016 Olympics
- Lapa
- Gloria



MIAMI

- Hibiscus, Palm and other islands (circa 1922)
- Downtown/Bayfront
- Wynwood
- Miami Beach Art Deco District



NEW YORK

- Battery Park
- Hudson Yards
- Williamsburg, Brooklyn
- The High Line

EAST VILLAGE: The athletes' village for the London 2012 Olympics was always intended to be permanent housing after the games and now forms the first phase of a new urban residential quarter in long-term ownership for letting and development.

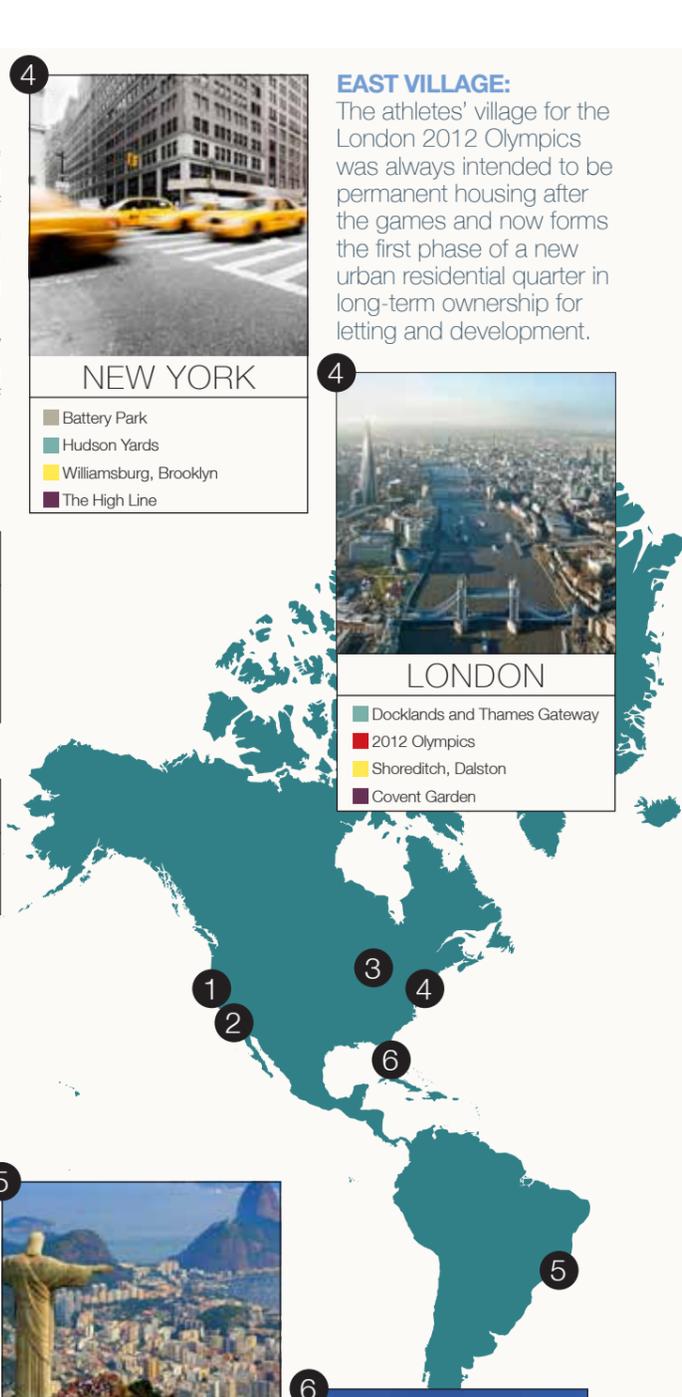


LONDON

- Docklands and Thames Gateway
- 2012 Olympics
- Shoreditch, Dalston
- Covent Garden

City building

From land reclamation to big catalyst projects, we examine the seven 'Cs' of city building that are transforming our 12 cities



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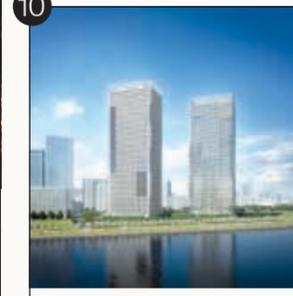
MOSCOW

- Park Rossii
- Ostozhenka, Patriarshie Prudy
- Moscow City
- 2018 FIFA World Cup
- ArtKvartal, Gorky Park
- The Bolshoy Theatre, Detskiy Mir



PARIS

- 13th arrondissement
- La Defense
- Grand Paris
- Canal St Martin, Belleville
- Musée D'Orsay



TOKYO

- Tokyo Bay
- Toranomon
- Tokyo Bay
- 2020 Olympics, Tsukiji fish market relocation
- Shibuya, Harajuku, Minami-Aoyama
- Tokyo Station, Marunouchi/Hongo, 'Yanesen'

2020 OLYMPICS: the majority of new infrastructure will be located in the Tokyo Bay area, with the athletes' village on the Harumi waterfront. The games are anticipated to be a catalyst for new condominium and commercial development in this traditionally overlooked area.

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HONG KONG

- Hong Kong International Airport
- Most of central
- Kennedy Town
- Sheung Wan



SHANGHAI

- Numerous locations
- Yangshan Deep Water Port, Nanhui New City
- Jing'an, Xujiahui, Dongjiadu
- Expo Site, New Jiangwan town, CITIC Pacific Shipyard
- 2010 Expo, Shanghai Free Trade Zone in 2013, Pudong New Area
- Tianzifang, Moganshan Rd
- The Bund/Xintiandi, Jewish Quarters, Former French concession



SINGAPORE

- Punggol
- Marina Bay
- Jurong
- Singapore Sports Hub
- Tiong Bahru
- Peranakan, Joo Chiat and Katong Districts

TIONG BAHRU: one of the oldest housing estates in Singapore, it achieved heritage status in 2003. Home to markets, independent bookshops and cafés, it has been revitalised by 'hipster' culture.

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DUBAI

- Expansion into desert
- Dubai Waterfront, The Palm Islands
- Expo 2020 SYDNEY
- Satwa
- Al Bastakiya

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MUMBAI

- Back Bay
- Mumbai Mills
- Khala Ghoda
- Marine Drive

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SYDNEY

- Sydney Olympic Park
- 2000 Olympics
- Surrey Hills, Camperdown
- The Rocks

