

Adaptive Reuse of Historic Residential Housing for Commercial Development

- A case study of Xintiandi redevelopment project in Shanghai, China

Lan Feng

University of Florida, Urban & Regional Planning (URP)

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Adaptive Reuse of Historic Residential Housing for Commercial Development

1. Research Background

2. Research Methodology

3. Xintiandi Case Study

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5. Discussion & Conclusion

Economic Transformation

Urban Regime Reform

Urban Renewal

The City of Shanghai

Research Background

■ Economic Transformation in China

Before 1978, China implemented planned economy. Low social productivity and indigent material resources drove china into an urgent development situation.

“The Third Plenum of the Eleventh Communist Party Central Committee held in December 1978. On the conference, Deng Xiaoping put forward the “*Reform and Opening Up*” slogan, which marked the decisive breaking from the past and the start of the reform era.

- ◆ Expanding enterprise autonomy
- ◆ Attracting foreign investment actively
- ◆ Increasing the use of economic levers

■ Chinese Urban Regime Reform

The economic transformation has resulted in a shift in governance from a centralized to a decentralized form . By decentralizing power to enterprises, the state-owned and private enterprises get involved into the urban renewal process and decrease the financial burden of the government. Meanwhile, by decentralizing power to local governments, the policy making cycle is shortened.

Research Background

■ Urban Renewal (Urban Redevelopment)

- ◆ improving the living condition of residents;
- ◆ restoring the market value of land;
- ◆ controlling the scale of cities;
- ◆ protecting historical, cultural traditions of old cities.

■ Types of Urban Residential Renewal in China

- ◆ Demolishing old housing and rebuild housing on the original sites.
- ◆ Rehabilitating the old housing rather than completely demolishing it.
- ◆ Demolishing the old housing but construct new commercial buildings (retails, offices, hotels, etc.) instead of residential.
- ◆ Rehabilitating the old housing for commercial development, which change the function of historic housing. We called this preservation-based redevelopment.

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Research Questions

Research Methodology

Research Limitation

Research Questions

- What is the role of historic preservation in the process of urban renewal (redevelopment).
- To what extent can historic preservation contribute to the building of a global city?
- What forces at the global, national, and urban levels have driven the urban development policy in Shanghai from demolition to preservation?
- By case studies, to explore what is the underlying mechanism in the successful preservation-based urban residential renewal projects ?
- And to explore how are the different stakeholders mobilized in the course of these urban residential redevelopment projects?
- What types of historical buildings are selectively preserved and recycled for new uses in the historic residential renewal projects?

Research Methodology

■ Single case study – Shanghai Xintiandi redevelopment projects

- ◆ Xintiandi is the most famous redevelopment case in Shanghai and the whole China. It successfully transformed two blocks of old and dilapidated Shikumen housing to an entertainment center.
- ◆ Xintiandi's success has helped to raise the property value in the area significantly and turned the surrounding area into the most expensive real estate in the city.
- ◆ Xintiandi presents a new model of adaptive reuse and historic rehabilitation that is making the public accept the value of old housing preservation, especially in economic transitional period.
- ◆ Xintiandi is influencing the way government officials and real estate developers throughout China view old neighborhoods and buildings.
- ◆ Xintiandi project was one of the early cases in which the government allowed a developer and foreign design companies to control detailed planning in China.

Research Methodology

■ Single case study limitations

As single case study can get enough data and develop in-depth investigation in a certain context, it has its limitations such as it is hard to get replication compared to the multiple case studies.

Bicycle Parking Study in Downtown Nantucket

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Case study Introduction

XinTiandi Case Study



Shikumen Lilong housing in the Xintiandi area in 1996



The living condition of Shikumen housing in Xintiandi area before redevelopment

■ Before redevelopment:

Xintiandi is located in the Taipingqiao residential district, where consisted of dilapidated Shikumen houses. In the 1990s, Taipingqiao area covered 52 hectares of land and consisted of 23 residential neighborhoods. There were more than 200 lanes of Shikumen in the area, built between the 1990s and 1930s, with a total built area of one million square meters.

The Xintiandi area, 3.6 hectares, consisted of two blocks old Shikumen housing. Due to the lack of maintenance and population growth, the living situation in these Shikumen housing is very poor.

XinTiandi Case Study



Xintiandi area after redevelopment

■ After redevelopment:

Beginning in 1999, Municipal and district governments, private developers, and international architectural firms collaborated to rehabilitate and transform two blocks of old Shikumen houses into a quarter of coffee shops, restaurants, and nightclubs. The architectures in Xintiandi blended with modern and historic style.

Since its opening in 2001, Xintiandi gradually becomes as the top entertainment and tourist destination in Shanghai.

Xintiandi's success has helped to raise the property value in the area significantly and turned the surrounding area into the most expensive real estate in the city. The project has significant impact on urban policymaking in Shanghai and beyond.

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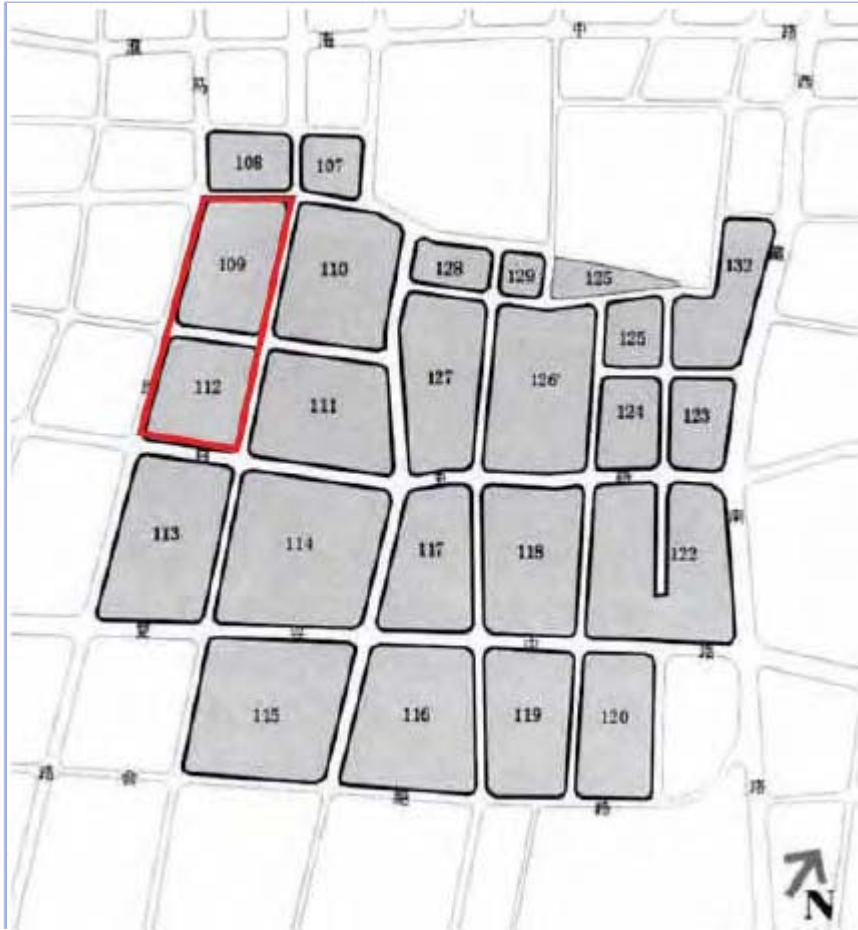
3. Xintiandi Case Study

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Case Study Analysis

Local government – Luwan district government



The numbers of blocks in the Taipingqiao area, Xintiandi is located in the red blocks

Considering the dilapidated living neighborhoods and the preferred location of Taipingqiao area, Luwan district government intent to redevelop this residential area.

In 1997, Hong Kong developer – Shui On Group, using its relationship with the district government, signed a 50years, 52 hectares of land, 3 billion US dollars investment Taipingqiao area land lease with Luwan district government.

According to the contract, the private developer will provide capital for the redevelopment, and local district government will provide subsidies and take responsibility for the relocation of original residents.

Case Study Analysis

■ Private developer – Shui On Group



The SOM plan for the redevelopment of Taipingqiao area

Shui on Group agreed to invest 3 billion US dollars over the next 15 years, which is 97% of the total investment. The remaining 3% is provided by Shanghai Fuxing Development Corporation, a state enterprise owned by the Luwan district government.

Shui On Group had great autonomy in deciding the direction and design of the redevelopment.

Shui On Group thus recommended Skidmore, Owings and Merrill LLP (SOM) to Luwan District Government to design a controlling detailed master plan of the Taipingqiao area.

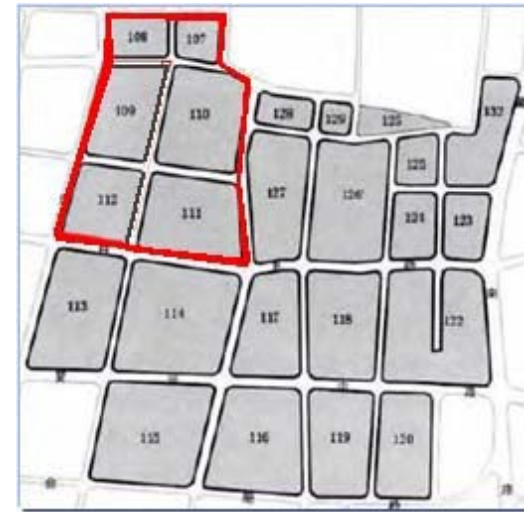
The SOM plan was then approved by Shanghai Municipal City Planning Administration in 1997.

Case Study Analysis

- International firm – Skidmore, Owings and Merrill LLP (SOM)



The Master plan for the redevelopment of Taipingqiao area



The First Congress Hall is located in the Taipingqiao area, plot 107-112 were planned into the “Sinan Road Historical and Cultural heritage District”. The redevelopment plan required that surrounding developments should be low-rise development.

However, there are no legislated regulation about the management of historic buildings and no legally defined boundaries of historic and cultural districts before 2003. Finally, only block 109 & 112 (XTD area) remained as “cultural/residential/retail mixed use,” the other four blocks were changed to hotel, office and open space in the SOM plan .

Case study Analysis

■ Construction Consultant - Tongji University Architectural Design & Research Institute, Shanghai, China

In the mid- 2000, Shui On Group asked the research team of the College of Architecture and Urban Planning in Tongji University to investigate the architectural features and historical data of Xintiandi.

After three months field work, in the December 2000, the research team finished the report named “*Shanghai Xintiandi Square Architectural history and cultural history investigation and research*”. They also improved this report and published a book named “*Shanghai Xintiandi*”.

Case study Analysis

■ American architecture - Benjamin Woods

Shui On brought in the architect Benjamin Woods, known for adaptive reuse of old buildings, to design the Shikumen houses for retail use. By investigation, Woods considered most of the buildings were too deteriorated to restore - except for those parts of the outer shell that contained the distinctive Shikumen features.

New buildings were designed around these highlights. Where buildings had to be demolished, plazas were created. Alleys were retained and paved with the same century-old gray flagstones, and new walls were built with reused red and black bricks. Where walls had to be removed, large glass panels filled in.





Case study Analysis

■ The original residents

In the first phase of relocation, relocated families were compensated at an average of \$15,600. This was considered a good term in 1997, and many families were content to take the monetary compensation and left.

However, real estate prices in Shanghai skyrocketed in the next few years. Although the compensation was raised to \$20,000, it is far from enough to purchase an apartment unit in the city.

The families are mostly lower-income residents living in extremely crowded conditions. Since the calculation of compensation is based on living area instead of the number of residents, it is impossible for these families to buy an apartment in the city that is large enough to accommodate all family members.

The families have been negotiating with the local government for on-site relocation. Therefore the relocation methods in the XTD areas included partially in-kind (off-site), partially monetary compensation.

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Discussion & Conclusion

- Social and economic outcomes of Xintiandi redevelopment project
 - ◆ The distinctive features of Shikumen architectures were preserved well in the Xintiandi area, especially in the north block.
 - ◆ Taipingqiao community environment got improved extremely.
 - ◆ Xintiandi has helped to raise the property value in the area significantly, and property values in the surrounding areas got increase more rapidly than in other parts of the city.
 - ◆ Xintiandi becomes noteworthy leisure and entertainment center, which promote the Shanghai popularity and increase the government revenue.
 - ◆ Xintiandi brought the chance for the original residents to move to better living places.
 - ◆ Xintiandi's success makes the public recognize the value of old residential housing preservation.
 - ◆ Xintiandi is helping other cities to preserve their urban residential buildings and vitalize them to meet current urban requirements.

Discussion & Conclusion

■ Lessons learned from Xintiandi redevelopment project:

- ◆ Building new is development, preserving old is also development. Xintiandi is rightly found the juncture of preservation and development. By adaptive reusing the dilapidated Shikumen housing, Xintiandi becomes as a window to the past and the future of China and the world. Also, from the way of adaptive-reuse, the private enterprises could get ideal profits, and the local government could get ideal revenue as well.
- ◆ Xintiandi presents a new way the local government, private enterprise, international architectural firms cooperate together, form the pro-growth coalition, clear their goal, and finally to make it successfully. At Xintiandi, the old interweaves with the new, the East meets West. Historic preservation-base redevelopment realize the contribution of building Shanghai as a global city.
- ◆ Triggered by Xintiandi's success, Shanghai's urban development policies have shifted from demolition to preservation since the late 1990s. Historic preservation is one of the strategies employed by the local governments to stimulate tourism and consumption. Preservation has different kinds, such as rehabilitation, reconstruction, revitalization. It is significant for the certain city to determine which one is the most suitable one for them to use in their urban renewal process.
- ◆ Historic building should be preserved but should not be preserved as an “dead antique”. In contrast, the old city should utilize the historic building to realize the goal of urban renewal. And, Xintiandi is such a good model of adaptive reusing the historic building for commercial development during the Shanghai urban renewal process.

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Thanks !