



Meeting the Evolving Needs of Cities

Shaping Future Downtowns: What Matters Next

More than just business districts, downtowns need to be more diverse, inclusive, innovative and vibrant to meet the changing demands of businesses and individuals. **Mina Zhan** and **Michael Koh** look at the factors fuelling this shift and how cities can create attractive work-live-play spaces.

Traditionally, the planning and design of business districts tend to cater to the needs of specific industry verticals. In the late 1990s and early 2000s, downtowns around the world were looking to anchor key financial institutions.

Today, the same sector is experiencing what Mr Antony Jenkins, former group CEO of Barclays Bank, described as “the Uber Moment in Financial Services”. If financial technology delivers what it promises to over the upcoming years—in terms of improved efficiency, streamlined jobs and reduced costs—a substantial reduction in office space demand by banks and financial services firms could be looming on the horizon.

The profile of downtown occupants has also evolved. Downtown San Francisco’s edgy South of Market (SOMA) district has seen over 60% of its office space taken up by tech firms. In New York’s Midtown Manhattan, the market share of the total office space occupied by the Technology, Advertising, Media and Information services sector nearly doubled from 2009 to 2015. According to real estate services firm JLL, tech firms in several cities around the Asia Pacific region, such as Tokyo, New Delhi, Manila and Sydney, already account for 20% or more Grade A office space.



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Tech firms cluster in San Francisco's SOMA district, which is adjacent to the CBD in North of Market (NOMA).



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The seismic shift in demand for flexible space is also having a major impact on the future of workspace. In fact, it has become a key workspace option even among global brands and major corporates as they look to contain costs and better respond to the flexibility and agility demanded by the gig economy. In the longer term, JLL research estimates that by 2030, 30% of corporate portfolios will comprise flexible space, including co-working, incubator or accelerator space.

So how should cities go about creating next-generation urban spaces that respond to this new geography of demand by businesses and individuals?

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Diversity: Injecting Greater Mix

First, it would be critical for downtown space to bridge the sectorial silos, and be supported by a mix of big and small companies from MNCs to SMEs and start-ups, because a knowledge-based ecosystem demands more than what a few mono-disciplinary headline global firms or large research institutes alone can provide. The ability to harness the collective wisdom and strengths of a dense community of innovators and entrepreneurs will have a strong impact on the success of future business districts.

Instead of leaving it to designated innovation districts, it is crucial that future downtowns project a strong sense of innovation, agility and connectedness that will draw talented workers. Cities like Shanghai have already recognised this as a priority—it plans to develop a Central Innovation District as an integral part of its Central Business District (CBD) by introducing mixed-use innovation clusters within the downtown area.

To encourage greater diversity, downtown business districts need to go beyond the conventional “big block” developments to offer more differentiated parcel sizes and building typologies. In Singapore, places like Tanjong Pagar, a historic mixed-use neighbourhood located in the central area, have benefited from a series of planning strategies to enhance its mix of uses over the past decade. Measures include boosting the hotel industry and increasing the live-in population through the release of more government

land sale sites for hotel and residential uses, in addition to existing public housing options.

Today, the area attracts a variety of people and businesses, and is bustling with social life and commercial activities. The Tanjong Pagar Centre, a transit-oriented development that sits directly on top of the Tanjong Pagar Mass Rapid Transit Station, saw 37% of its Grade A office space snapped up by tech and media companies, as of October 2016.

Inclusiveness: Supporting Live-in Districts

Second, future CBDs need to be planned as central social districts too in order to respond to both the work and life aspirations of their occupants. Providing for a live-in population is going to be an increasingly important consideration for downtown planning as the younger workforce rediscovers the convenience of urban living. In London, the phase 1 development of the new CBD at Canary Wharf was predominantly for office use. The more recent phase 2 extension, known as Wood Wharf, has been weighted more towards housing and social amenities. Slated for the new development area are 3,500 homes, with over 600 earmarked for affordable housing. Two primary schools, a multi-purpose sports hall and a healthcare facility also form part of the development plan. Importantly, the first-storey use plan has been carefully curated to encourage community activities and social interaction.



Besides homes, social amenities also play a crucial part in supporting a more lived-in downtown. High-quality learning institutions and public libraries can serve as highly prized value differentiators for attractive urban precincts. Instead of letting high land value and limited land space preclude downtowns from having access to these amenities, there is much scope to turn these constraints into opportunities for creative planning models and design concepts, as demonstrated by Tokyo's Mode Gakuen Cocoon Tower, a high-rise vertical campus housed in the prime commercial centre of Nishi-Shinjuku.

Flexibility and Affordability: Attracting Young Minds

Third, in order to attract a greater functional mix, including start-ups, downtowns have to appeal to innovators who seek flexible leases, distinctive spaces and affordable costs. Besides conventional and fully fit-out workspaces with standard lease terms, other development typologies that offer flexible leases and customisable space could enhance the attractiveness of the overall ecosystem. Such space not only allows stakeholders from both public and private sectors to better respond to new trends and demands over time, but also increases the relative affordability of development projects, presenting opportunities for inclusive participation from a wider range of market players.

Ultimately, to meet the diverse needs of a dynamic workforce, a higher degree of innovation and flexibility in the conventional land development process will be necessary. This will allow greater room for test-bedding and piloting, and doing things differently.

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The experience of Paris in remaking the city through its “Reinventer Paris” initiative provides useful lessons for others—since 2014, the city has facilitated numerous sales or leases of city-owned sites not to the highest bidder but to the most innovative proposal, incorporating social and community inputs.

In terms of living space, as millennials become the lifeblood of today's workforce, having flexible and affordable housing options incorporated into new downtown space could also go a long way in anchoring the brightest young minds. In the San Francisco Bay area, private sector companies are already providing shared housing to freshly graduated young entrepreneurs and bootstrapping start-ups, capitalising on their demand for affordable and flexible housing in city centre locations. By allowing like-minded people to live, network and collaborate together, these “housing++” models contribute to a more holistic ecosystem that goes beyond just living to also address occupants' needs and desires relating to working, playing and learning.







Flexible Land Use



Anticipating New Lifestyle



Use of Leftover Spaces



Community Involvement



Promoting Parisian Heritage



Timely Delivery of Operations



Methods of Construction



Financing, Pricing & Investment Solutions

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Vibrancy: Invigorating Streets and Places

Last but not least, future downtowns should put people first, by creating spaces that integrate work with other lifestyle activities so the time-pressed workforce can lead a rich and seamless lifestyle that connects them to amenities for culture, recreation and nature.

With two-thirds of knowledge work already happening outside the office, new workplaces will become less about individual properties and more about being part of an urban environment that is attractive to talented and skilled individuals. The blurring boundary between workspace and non-workspace means well-designed and curated public realms will play a more crucial role in fostering spontaneous interaction and collaboration. While permanent future developments may take a while to realise, short-term uses

such as interim public spaces, linear parks, performance spaces and food markets can enliven these districts and provide a sense of vibrancy at any stage of its development. In Singapore, planners actively put out vacant state land parcels for interim uses, such as the Artbox pop-up creative market that attracted huge crowds to downtown Marina Bay. In Paris, a temporary urbanism plan guides temporary developments.

To improve the safety and experience of pedestrians, a clearer distinction between key traffic corridors and local streets for pedestrians and alternative urban mobility modes such as bikes and personal mobility devices needs to be established. Innovative concepts such as Barcelona’s “superblocks”, which Melbourne has set out to try, can reinstate streets for people, as part of a network of inclusive and human-oriented public spaces.

01 Co-living apartments under the brand of lyf, launched by The Ascott Limited, are designed by millennials for millennials. lyf will provide community living and social spaces for technopreneurs, start-ups and individuals in key gateway cities.


02 Paris defined areas and processes where it wanted innovation to occur.

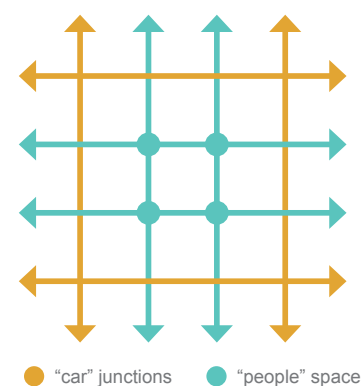
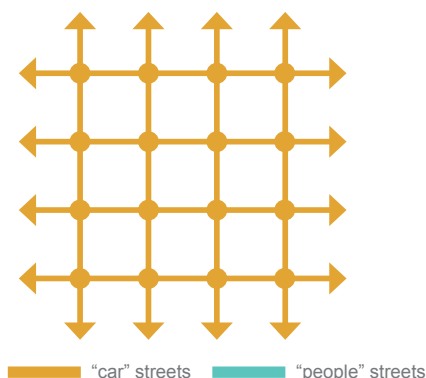
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Moving with the Times

Cities today are grappling with fresh challenges and opportunities. With the rise of millennials in the workforce, their preferences and needs for work-live-play spaces increasingly matter. Future downtowns are becoming less about businesses only in business districts—attractive employment hubs will need to be interesting social spaces where work, live, play and learn are creatively blended.

As major corporates like Google shift their epicentres out of the Silicon Valley to the “Silicon Alleys” of San Francisco’s SOMA and New York’s Chelsea, the message is loud and clear—where the next generation of workers want to be is essentially where businesses also want to be. And it is timely that city leaders review their criteria for successful business districts, and start considering diversity, inclusiveness, innovation and vibrancy as key factors that will shape the future of our downtowns. 



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- 01 Visitors throng the Artbox Singapore pop-up market at Marina Bay for food, retail products and entertainment.
- 02 Barcelona’s Superblock concept provides good quality public spaces for the people, inspiring similar projects in Melbourne.