

Otemachi(大手町) Sequential Urban Redevelopment Project

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ABSTRACT

Otemachi(大手町) is the region where it plays a pivotal role in Japanese economy as representative head offices of companies including financial·insurance, general trading, information and communication·newspaper media are concentrated. However, regenerating the entire region from worn-out infrastructures of buildings and city into the fresh and vibrant foothold in international business was the problem to be solved. In this situation, <Sequential Urban Redevelopment Project> was examined on the basis of administrative agencies and relevant enterprises to reconstruct office buildings in phases without ceasing business functions and activities by utilizing the large-scale vacant land occurred from the relocation of the national public institutions. The independent administrative institution 'Urban Renaissance Agency(UR)' has completed the examination of industrialization and participation request for the commencement of the project. In this article, The overview of <Otemachi Sequential Urban Redevelopment Project>, the new form of project promoted and cooperated by officials and people, is introduced by UR (Urban Renaissance Agency) reorganizing the land exchange and infrastructure through the land readjustment project, and at the same time, procuring capital and building office buildings in solidarity with private development enterprises and financial institutions.

Key words : sequential, without ceasing business functions, land readjustment

1. Details of Otemachi Sequential Urban Redevelopment Project

Otemachi(大手町), which is located near Marunouchi(丸の内) in the vicinity of Koukyo(皇居) on the north of Tokyo station, has been a backbone of Japanese economy as head offices and headquarters of companies on behalf of Japan are concentrated in the region, such as financial·insurance, general trading, and information and communication·newspaper media. However, most buildings were constructed during the era of high economic growth and are in decrepit state as more than 70% of them were built over 30 years ago in 2002. The buildings needed reconstruction.

Since the premises are currently densely built-up, it is difficult to reconstruct within the same premises, and moreover, because reconstruction accompanying provisional relocation might disrupt the continuance of businesses operating 24 hours large-scale information system, it still remains a demanding challenge until nowadays.

Meanwhile, the relocation of the national administrative agency, which is located in Otemachi Government Complex Hall 1·2, to Saitama New Urban Center has been confirmed, and approximately 1.3 hectare (13,000 square meter) extent of vacant land will be secured. Furthermore, the opinions to utilize for Otemachi street creation from the administrative agency and landlords have been brought up.

In addition, the national policy on urban redevelopment has designated the region within a radius of 1 kilometer from Tokyo station, including Otemachi, as the urban redevelopment emergency maintenance region according to the Act on Special Measures for Urban Redevelopment as the <surrounding area of Tokyo station·Yurakucho station> in July 2002. Approximately 40 hectare (400,000 square meter) of the region (Otemachi district) surrounding Nihonbashi River(日本橋川), Eitai(永代)-dori, Uchibori(内堀)-dori, and Sotobori(外堀)-dori were determined as Urban Redevelopment Project (5th) <formation of urban center according to the strategic plan of state-owned land> in January 2003. Moreover, in accordance with the

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amendment to Act on Special Measures for Urban Redevelopment in 2011, <surrounding area of Tokyo station·Yurakucho station> has been renewedly designated as the particular urban redevelopment emergency maintenance region <center of Tokyo·water-front district>.

Among those movements, the examination of industrialization has been promoted through cooperation of officials and people by forming <Otemachi Street Promotion Conference> by administrative agency and landlords in March 2003. On March 2004, through the conference, the specific policy toward <Otemachi Sequential Urban Redevelopment> was confirmed in order to conduct reconstruction in phases by transferring the title to land to another place under the land readjustment project (implementation at approximately 13.1 hectares west of JR line shown in the figure as the primary business area) by utilizing the Government Complex premises as ‘seed land’.

As a coordinator of the project by obtaining various business know-hows regarding the urban redevelopment, the Urban Renaissance Agency (hereinafter referred to as UR), was asked to participate from <Otemachi Street Promotion Conference> and has played a pivotal role in acquisition and partial possession of the land and implementation of land readjustment project and urban redevelopment project.

The article is introducing the overview of ‘Otemachi Sequential Urban Redevelopment Project’, implemented through the private investment to regenerate the region which is functioning as the backbone of Japanese economy by utilizing the large-scale public property, Otemachi Government Complex Hall 1・2.

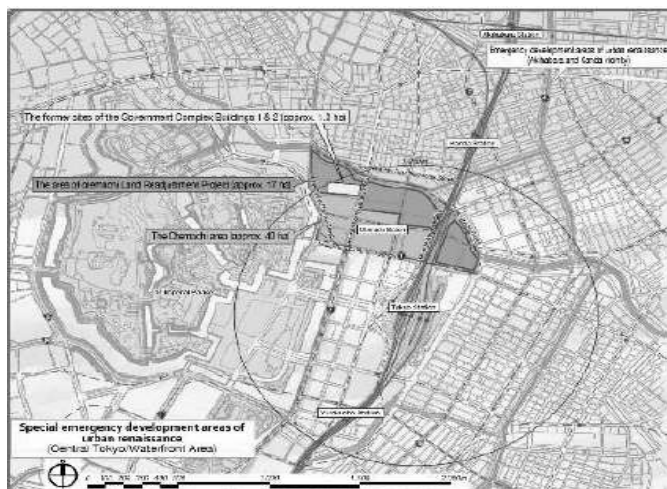


Fig. 1. Otemachi District Location Map

2. Flow of Otemachi Sequential Urban Redevelopment

In approximately 40 hectares of Otemachi district, the primary business was carried out on the region of approximately 13.1 hectares at first, and the specific flow and form are as follows. The form was pursued after concluding the careful agreement with landlords before the commencement of the project.

- ① As a ‘seed land’ to utilize reconstruction, UR has acquired the Government Complex premises (approximately 1.3 hectares), and two-third of the share was assigned and held jointly by the private SPC Otemachi Development Ltd.
- ② Integrate the rights of landlords who wish for reconstruction in accordance with the method of land readjustment project replotting (exchange) into the Government Complex premises for replotting (exchange).
- ③ The relevant landlords continue their duties in the former buildings, and the buildings are directly relocated and former buildings are removed after the construction and completion according to the urban redevelopment project at the Government Complex premises in which relocation is scheduled in the future. (First redevelopment)
- ④ From this point of time, the first phase of so-called sequential urban redevelopment is complete. The project concludes from the disposal of land substitution in a regular case.
- ⑤ On the other hand, since Otemachi district is reconstructing the old buildings in a large area of 13 hectares, the sequential project is carried out by providing the former land of the first redevelopment participants as a seed land for reconstruction.
- ⑥ The former land of landlords who participated in the first redevelopment is taken as the relocation area of landlords who wish to reconstruct next time, and then allocate in the same way as the first redevelopment.
- ⑦ The relevant landlords continue their duties in the former buildings like the first redevelopment, and the buildings are directly relocated and former buildings are removed after the construction and completion according to the urban redevelopment project at the intended relocation area. (Second redevelopment)
- ⑧ Recontinue the sequential urban redevelopment operation, using the former land of the landlords who participated in the second redevelopment as the next target area.

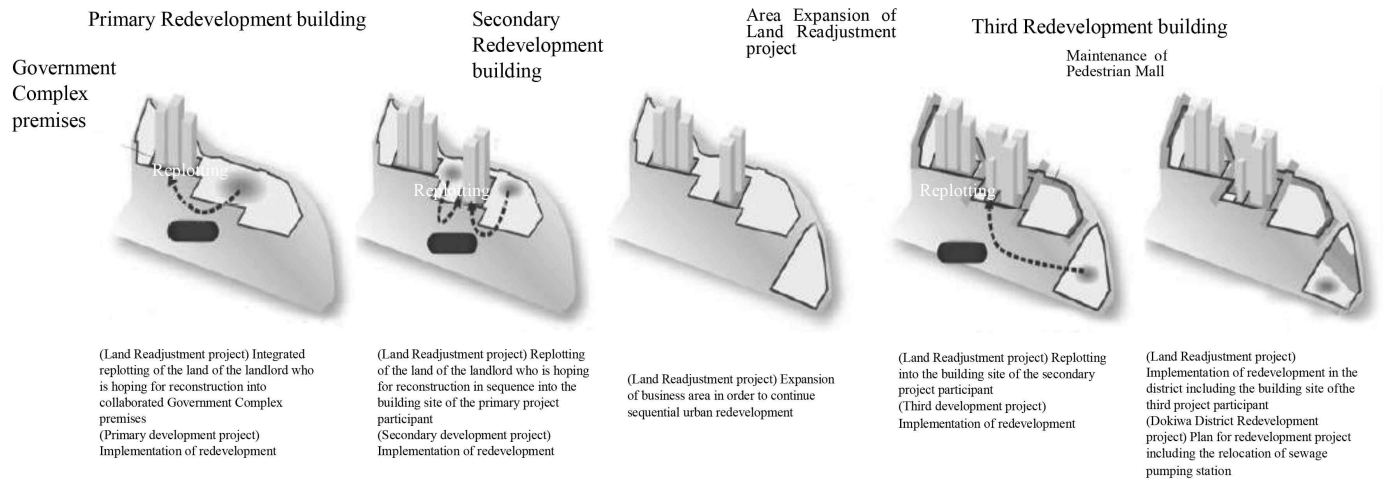


Fig. 2. Flow of Sequential Urban Redevelopment

3. Continuance of Sequential Urban Redevelopment

As mentioned above, the project has progressed the first and second developments favorably by the close cooperation with landlords, private operators, and public organizations as the primary project. It is necessary to enhance the city function as an internationally competitive region by continuously promoting in this way. Therefore, the second project was to expand the land readjustment zone, which was conducted on the extent of 13.1 hectares, to Tokiwabashi district that is adjacent to the east along the JR line, aiming to have a ripple effect on the surrounding area. Tokiwabashi district is the region of approximately 4.3 hectares surrounded by JR line, Eitai Idori, Sotobori-dori, Nihonbashi River facing the JR East Japan Nihonbashi exit. In 1964, the city plan was determined as the first of <Special Street District>, and the important infrastructure facilities supporting the center of the city, such as the city pumping station in Tokyo and Shuto Expressway Yaesu line, were integrated and organized at the underground of the private building. In spite of the fact that more than 40 years have passed since the last maintenance, it has been a difficult task to reorganize due to the intervention of the complicated structures and rights. Therefore, as a result of examining the method of redeveloping the entire street without halting the function of important infrastructure facilities by Tokyo Metropolitan Government, ward offices, and landlords, the policy for reorganization by applying the same method as Otemachi land readjustment project was reviewed.

UR expanded the project area as a project operator and

examined all the matters with regard to the regional expansion and the method of land assessment in order to implement the sequential urban redevelopment project.

Particularly, part of the land of the regional landlord and the seed land of landlord who participated in the second redevelopment project were exchanged in the same way as the first project. By proceeding the third redevelopment in part of the seed land of the second redevelopment participants, and at the same time, by securing the seed land necessary for the reorganization of the region in the same district, the plan to realize the reorganization was drawn up, and the promotion policy was confirmed at the Otemachi Street Promotion Conference in June 2012.

Besides, the city plan(expansion of land readjustment project zone, urban redevelopment special district) necessary for the continuing promotion of sequential urban redevelopment was decided by Tokyo Metropolitan Government, Chiyoda-ku, Chuo-ku in December 2012, and the the project plan changes were approved in April 2013. The third redevelopment project was launched after the approval and completed in April 2016. The former buildings of the landlords who participated in the third redevelopment are being demolished at present(February 2017).

After the demolition work is complete, the sewage pumping station will be relocated, and at the same time, the entire street will be reorganized as the fourth redevelopment project as approved in September 2016.

Prior to this, in April 2016, the new base will be established at the exit of Nihonbashi at Tokyo station to allow Otemachi to expand its function as a foothold in international business.

It also has been determined that the urban redevelopment plan aims at creating streets equipped with a high level of disaster prevention capability to continue the project even in the event of a disaster.

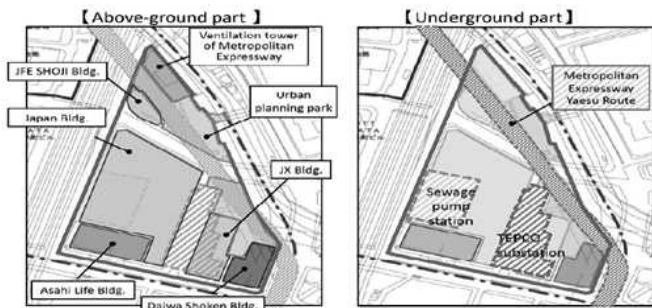


Fig. 3. Tokiwabashi district

4. Three Projects Supporting Sequential Urban Redevelopment

Sequential urban redevelopment could be proceeded smoothly by intimately combining the following three projects. Let's introduce the outline of each project.

4.1 Possession of Seed Land(Double Usage of the Land System)

Otemachi Development Ltd. and UR are the long-term possessors of the Government Complex premises as a seed land. There are two roles for the seed land, First is the role as a place(vacant land) for relocation redevelopment for landlords, And second is the role to continue the usage of the land (this makes direct relocation possible) for landlords who conduct relocation redevelopment.

As a role of the vacant land, the Government Complex premises itself serve as the first relocation redevelopment site as it is the business district of the first development project. Moreover, in order to enable the direct relocation, even after the landlords who participated in the first redevelopment have established the building construction in accordance with the urban redevelopment project in the Government Complex premises by not using the property (substitute land of the Government Complex premises) by the seed land owner, the system is established for landlords who participated in the first redevelopment to continuously use the former buildings in the substitute land of the Government Complex premises. It is a key point of the system that the seed land possessors can raise land possession cost. In Otemachi Sequential Urban

Redevelopment, the landlords who conduct relocation redevelopment pay the cost to the contractor of land readjustment to continue using the former land. Meanwhile, the compensation (Land Readjustment Law article 101) for damages caused by the suspension of the use of land is paid from the contractor of land readjustment for landlords who could not use the Government Complex premises to establish the possession of the seed land.

4.2 Land Readjustment Project

UR is the operator of the project. The business plan was approved and the project began in April 2004. Each high-intensity use promotion zone (Land Readjustment Law article 85-4) is set up in the areas of first to third redevelopment to receive the application of landlords who want the relocation redevelopment, and the substitute land is set to consolidate the rights of multiple land possessors. In Ometachi district where the city infrastructure such as roads is maintained, it was in conditions where the increase in the land value by the public facility maintenance was not expected, likewise in the general land readjustment project. Under the pretext of contribution to the urban redevelopment, the public facility maintenance, such as construction of pedestrian mall by this project, is reflected in the land assessment of land readjustment project by considering the mitigation of capacity as an element to improve the land value. This is the major feature of Otemachi district readjustment project.

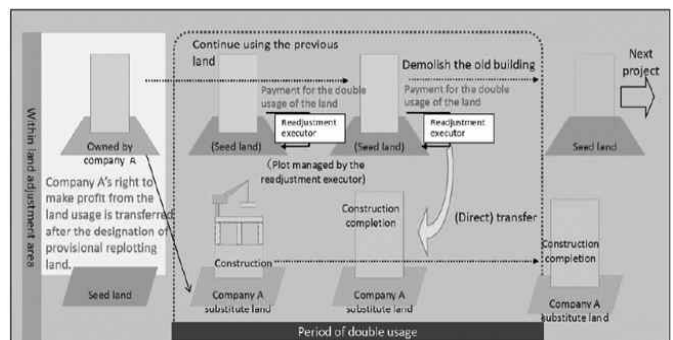


Fig. 4. Double Usage of Land

The above-mentioned 'Double Usage of the Land' system is playing a leading role in promotion of urban redevelopment by enabling direct relocation through construction work in the settlement (provisional replotting) by continuously using the buildings in the former land. 'Otemachi Kawabata Ryokudo (riverbank greenway)', the pedestrian mall as stated above, was constructed for the relaxed green space in the center of the city

with the scale of 780 meters in overall length and 12 meters in width, and was opened in April 2014. The original purpose of Otemachi riverbank greenway was planned for a automobile road, but has changed to a pedestrian mall according to the commencement of sequential project. The reason was to provide the pleasant walk space for workers, as well as to promote connectivity and interchange between Nihonbashi and Kanda regions. The plan was examined by landlords, scholars, and administrative agencies, and it has settled down as a goal of the city to be pursued in ‘Grand Design for Otemachi Urban Development’.

Furthermore, in order to maintain the high-quality space of the riverbank greenway, it is routinely managed through the

contract with the specialized company of the region. In addition to Marunouchi Naka-dori and Miyuki-dori, the greenway is recognized as a national strategic road private business, and a kitchen car is arranged to hold various summer festivals and events. It is expected that various measures will be taken in the future to improve the prosperity and value of the region.

Also, the riverbank greenway was awarded the ‘2014 All-build Award(全建賞)’ for its positive evaluation on creativity, unified maintenance of residential land, and public-private cooperation, and was also awarded the ‘2014 Lighting Dissemination Award’ for its lighting facility designed with consideration for the environment.



Fig. 5. Detailed Map of the Project

4.3 Urban Redevelopment Project

Urban redevelopment projects are utilized for redevelopment of buildings by land owners. In addition to the relocation and redevelopment of the former buildings, the redevelopment project developer has presented the city plan related to the urban

redevelopment special district and applied the mitigation of floor space index according to the proposal, thereby exhibiting the urban function suitable for the region. The overview of the first to third redevelopment which was realized so far will be briefly introduced.

4.3.1 First Redevelopment

As the first urban redevelopment, the head offices and headquarters of the land-owned businesses and organizations that were completed in April 2009 and participated in the redevelopment were relocated and are currently operating.

Complex functions, such as international conference center and agriculture, farming gallery, including office space were established, with the upper level which consisted of three high-rise office buildings and the reception center on the lower level.

4.3.2 Second Redevelopment

As the second urban redevelopment, it was completed in October 2012 and named 'Otemachi Financial City'. Development Bank of Japan Inc. and Japan Finance Corporation headquarters have already finished relocation to begin their duties. 'Tokyo Financial Village', supporting the promotion of international finance talents, '聖路加 St. Luke's MediLocus', providing the medical service available with English, and shops including the office space were established to compose two high-rise office buildings.

4.3.3 Third Redevelopment

As the third urban redevelopment, it was completed in April 2016 and named 'Otemachi Financial City Grand Cube'. In addition, 'Hoshinoya Tokyo', renovated and run by Hoshino Resort Group, was opened in July 2016. By setting the space between buildings of second redevelopment and third redevelopment to remain spacious, the function of intermediate pathways of Otemachi · Marunouchi · Yurakucho regions were strengthened to expand the business activities and function of living convenience.



5. From the Era of 'Creation' to 'Nurture' of the Street

UR has become the center of the project by utilizing the large-scale common property, Government Complex premises, and has been carrying out the business without ceasing the activities by undertaking the public role to acquire the seed land and bear the long-term possession risk. In terms of street redevelopment, it is impossible to succeed only by the maintenance of the roads and buildings.

In order to truly revitalize the street, the soft maintenance should be enforced integrally. Under the current economic situation in which the decline of population and tax revenue are accelerating, autonomous and sustainable urban redevelopment is desirable, which is led by the private sector without depending on the subsidy from the government and public entity to maintain the soft aspect. Moreover, 'Area Management' method to maintain and improve the identity and value of the whole region should be studied. Local residents and businesses should actively nurture the city, not only create.

With the purpose of utilizing the private-owned space, such as the vacant land, and public space, including a green belt maintained by land readjustment project, for vitalization of the region, the project is implementing the experiment to make use of public space by collaborating with the management association of the relevant region, in order to establish the strategic foothold of vibrant international business. Until now, many people abroad besides Japanese are observing 'Otemachi Sequential Urban Redevelopment Project' in order to refer to it. The project will be conducted without being ceased to continue the creation of the street, and it will be ideal to be referred to as the advanced case.



