

# Urban Regeneration Policy Framework For City Of Kuala Lumpur

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**Abstract**— Like other countries in the world, Malaysia is experiencing a rapid urbanisation where currently 76% of the population lives in the city and over 90% of the national economic activity revolves in and within the cities. Continued sprawling and expansion of cities due to the increase in industrial growth has resulted in pressure to balance between social aspects and environments. Thus, the main challenge for policy and decision makers is to mitigate the imbalance between socio-economic activities with physical and economic needs. The concept of urban regeneration is important to restructure the urban planning concept, especially in Kuala Lumpur. Despite the importance of an urban regeneration concept in a long-term investment in urban development, the current lack of traditional sources from public and private participation in projects has halted much regeneration work, which becomes a major issue in urban regeneration policies. Therefore, there is a need to structure the emphasis on urban land and property development as a stimulator for urban regeneration.

**Keywords:** Urban, regeneration, policy, Kuala Lumpur, framework, city, Malaysia

## 1 INTRODUCTION

Urban design is the practice of conceiving and planning groups of buildings, streets and the public realm in between buildings, neighbourhoods or in broader terms in the built environment of cities, according to the users' needs. These are determined by multifaceted factors such as way of life, human behaviours and/or activities [1]. The combination of many stakeholders' interest has made urban design an interdisciplinary subject which requires a holistic concept and framework in order to ensure a wide range of attributes under the realms of all disciplines. A thorough, comprehensive investigation and understanding of the effects of the built environment on the users of the mechanisms linking them to the built environment will allow urban designers to conceive and plan liveable urban areas and ultimately cities [2]. Therefore a new concept known as urban regeneration has been introduced in developed countries which aim to restructure the urban design. Kuala Lumpur, as a modern city in Malaysia, aims to be at a global standard which also requires its own identity. According to the "Draft KL City Plan 2020", older areas in Kuala Lumpur will be regenerated and revived to meet the current needs of the city. The characteristics of Kuala Lumpur, which comprise of residential districts, public spaces, parks, urban furniture, urban infrastructure and urban networks, need to be systematically integrated through cooperation among institutions which play major roles in the city. Important elements such social, economic and technical, need to be holistically integrated. Over the last decade, Kuala Lumpur has become a prime focus in terms of economic activities. As a result, Kuala Lumpur attracts more population and is expected to increase in future decades. Nevertheless despite sporadic progress, Kuala Lumpur has seen wide gaps between cities and within cities in terms of balance of social, economic and technical elements. Therefore, there is a need to balance these

elements which underline the vital importance to accelerate urban transformation in order to achieve sustainable development goals for urban design. A concept of urban regeneration is highly in demand for cities like Kuala Lumpur. This concept will involve the public sector from the aspects of financial, support, inspiration, aim and sustainable improvements for the benefit of urban population, communities, infrastructures and policy.

## 2. LITERATURE REVIEW

All cities and urban spaces are dynamic and change over time; which involves a process of urban growth and decline. There is currently a growing interest in urban regeneration especially among policy makers, property developers, environmentalists and communities. Most interest has been focused on the problem of overcoming social ills and economic deprivation. Various policies pertaining to urban development that intend to overcome social ills and economy decline set the context for urban regeneration. Therefore, the research question that will be highlighted in this research is related to the issue of urban decline and urban regeneration. Urban decline occurs when there is an undesirable change that happens together with physical decay, growing unemployment, worsening living conditions as well as a rise in social problems. The main reasons for this decline are generally due to the population growth, housing problems and unemployment. Major cities in Malaysia such as Kuala Lumpur, Penang and Johor Bahru seem to be having problems towards urban decline especially in terms of transportation and travelling time due to traffic congestion, infrastructure, physical decay, urban poverty and planning issues. The traditional perception of cities is that they provide shelter, security, social interaction and a place for selling goods and services. Nevertheless, cities' functions are beyond any traditional functions. Nowadays, urban development must respond to physical changes and social responses. Urban regeneration is a process taking place, not only in public areas, but also in the individual personal living space of its inhabitants [3]. Urban regeneration policies have many benefits and challenges for the community and people at large: towards eradicating slums and decline, better quality of life, re-branding a city as a place to live with new infrastructure and physical amenities. The urban regeneration concepts combine the holistic concept of urban development and environmental sustainability. The relationship between sustainable urban development and environmental

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sustainability is crucial to every strategy of urban transformation, renewal and regeneration [4]. This concept could also be a solution to a wide range of city problems such as economic, physical, social and environmental concerns. This is because the urban regeneration concept is a multidisciplinary field of research. Policy-making and practice are included among other elements, such as city planning, urban design, housing, transportation, the economy, community development and sustainable studies.

### 3. METHODOLOGY

The theoretical framework of this research was gathered from both published and unpublished data from government publications, working reports and journals. This has framed the conceptual design in urban regeneration policy framework in Malaysia. The data gathering involved two series' of focus group discussions (FGDs) which were mainly senior or managerial positions involved in cityscape design and property development in Kuala Lumpur. The selection of respondents was based on their expertise and deep knowledge of property development policies. They are key players in the property industry together with decision makers among the federal or state government agencies. The question schedule was designed to serve as a guide to conduct the FGD sessions to identify the urban regeneration understanding among the stakeholders. The FGD sessions were conducted in a structured format. The FGD schedule dealt with the questions on the needs for urban regeneration.

### 4. KEY COMPONENTS OF URBAN REGENERATION

In Malaysia, the main infrastructure service provider is the federal government. The development planning system in Malaysia was established with a hierarchy from the national level to the lowest level. The lowest level is concerned with physical development within its domain. The system has been formulated in order to ensure a balanced approach to development in the public interest. In Malaysia several major attributes contribute to the urban development such as water, buildings, roads, information technology, energy, transportation, drainage and sewerage. These attributes take into account the main components in sustainable urban infrastructure which comprise of economics, social and environmental elements. The federal government is responsible in providing the guidelines in terms of infrastructure policy which acts as a base for state and local governments to establish their own infrastructure master plan at a micro level. Consistent with the call and the need to promote interdisciplinary solutions in line with sustainable urban development goals, the urban regeneration will serve as a trans-disciplinary collaborative digital workspace comprising a 'learning laboratory' and 'library' of good practice for city-scale development. Aimed at infrastructure professionals and policy makers, urban regeneration will serve to transpose interdisciplinary expertise and apply best practices in sustainable development, financial innovation, urban master planning, green engineering and health and life sciences. The urban regeneration consortium appreciates that there is not a 'one cap fits all solution', but rather a requirement to produce bespoke, tailored solutions relative to the individual city context and its associated development, regeneration and infrastructure provision needs. It also addresses the challenges of exclusion, deprivation, health and wellbeing in

an integrated and 'informed' manner through community engagement and local stakeholder consultation. In Malaysia, different stakeholders have different perceptions on the goals of sustainable city infrastructure. Therefore, the challenges and motivations for each stakeholder will need to address different ways for pursuing sustainable outcomes. This will include the financial model for urban infrastructure projects. In normal practice budgets will be allocated based on parliamentary approval by using a top-down approach. The federal government will allocate a certain budget for infrastructures projects regardless of whether it's for urban or other areas. Like many other cities around the world, several major key components contribute to the urban infrastructures in Malaysia at the municipal level including water, buildings, roads, information technology (IT), energy, transportation, drainage and sewerage. These components stimulate urban infrastructure activities which need to meet sustainable infrastructure components. These components comprise of economics, social and environmental elements, which integrate with each other. The need for a multidisciplinary approach to create sustainable infrastructures relies on the interdependencies between a variety of processes and systems within the sustainability concept itself. As Malaysian cities progress to become global cities of the future, human interaction with the built environment within the city is currently in crisis and not mutually harmonious. As a result, Malaysian cities currently face environmental problems such as city river pollution, air pollution from commercial activities, transportation, construction activities, unsustainable construction materials, exhaust emissions from industries and factories, mining operations and indoor air pollution. These problems have also created other types of challenges that relate to urban development such as inadequate healthcare facilities, traffic congestion, over population in big cities such as Kuala Lumpur, over development in some city areas and high costs of living. Therefore, the need for the city to improve its liveability and wellbeing standards is essential. Sustainable wellbeing can be achieved through the successful interaction between all sectors in the city which involves people and the environment. People in the city include all residents as well as workers who commute to the city. The role of local government is very important. In Malaysia all cities fall under the management of city or municipal councils. As urban areas serve as the centre for human activities, especially economic activities, all economic sectors need to participate to achieve mutual wellness. Local governments in Malaysia spend their budget, which is allocated by state and federal governments, to execute infrastructure projects without proper planning to incorporate the element of sustainability. Previous findings by [5], [6], [7] found weaknesses in terms of policy, financial and knowledge, which have resulted in the disconnection between sustainability components in infrastructure projects. Most importantly sustainable infrastructure development in Malaysia, especially in urban areas, is facing serious budget limitations. On top of that a lack of expertise, knowledge and interest also contribute to the tribulations in implementing systematic sustainable infrastructure, creating healthy Malaysian cities that actively support resident wellbeing cities. A major problem of current sustainable infrastructure implementation in Malaysian urban areas is the disconnection between major elements of sustainability itself, which comprise of environmental, economic and social elements. These three elements in terms of policies and implementation are often

pursued in an uncoordinated fashion. Globally, cities across the world have expansive regeneration and infrastructure development pipelines. Nonetheless, attracting the necessary investment or indeed conceptualizing the financial frameworks and investment models relative to regeneration needs represent a significant challenge. Moreover, many of the conventional finance and investment models which underpinned the revitalization of inner-cities over the course of the last two decades are now obsolete. The 'new era' for the financing and delivery of urban regeneration and infrastructure projects requires the exploration of innovative legislative frameworks and finance vehicles in order to transpose projects from the design and planning stage through to construction and implementation. Within these confines, the rollout of decentralised governance has afforded cities greater fiscal and legislative autonomy. Indeed, cities are encouraged to adopt risk-taking urban development policy and strategy [8] and to formulate new territorial alliances [9]. Cities are also required to explore collaborative financial frameworks and embrace innovative funding models, many of which are often underpinned by an expectation to borrow against future revenue streams in an effort to deliver projects that will 'unlock' growth and development [10]. Many cities around the world have already embarked on a variety of innovative experiments with respect to governance arrangements and financial packages for urban transformation [11], [12], [13], [14], [15]. This has culminated in the advent and increased application of 'Revolving' and 'Earn-Back' schemes for city-scale urban development. Most municipalities however continue to finance the projects from their annual budgets. This includes Malaysia where currently the financing model is just merely a top-down approach, where the federal government plays a big role in infrastructure's budget and allocation.

## 5. URBAN REGENERATION PRACTICES

The future of urban design should be aimed at countering sprawl of urbanisation, directing it instead towards sustainable design. The trend towards territorial dispersion and functional disassociation in the urban space is contradictory with the fundamental principle of long-term equilibrium inherent in sustainable development. The territorial expansion of settlements has significant effects such as the loss of land and the non-renewable resources, environmental impact, tending the growth of social/cultural disparities and higher global collective costs [16] (Francini et al. 2018). Urban rapid development has resulted in disaggregation between living areas, work, commerce and recreation. A large part of the population depends heavily on its own transportation, with obvious effects on energy consumption that have resulted in urban problems such as congestion, pollution and crime. According to [16] the expansion of urban surface causes a greater environmental impact due to the construction and exploitation of infrastructure networks. These networks connect with the means of transport and technical networks necessary for the evacuation of waste water, or the distribution of water, gas and electricity. Urban regeneration fundamental concept is derived from sustainable urban planning. This focuses on compatibility of the changes to be made to the territory with its own features of the environment, expecting that the uses of a particular territory be decided on the basis of its characteristics and its adaptation threshold to transformation. The urban regeneration concept is introduced due to the enervation of energy resources and the poor

conditions of existing building assets which is caused by urban issues. Urban regeneration concept is emphasised to reduce urban expansion and encourage urban regeneration and transformation. Strategies for regenerating urban spaces were initially introduced to avoid new land use. The strategy is based on the basics to make spaces more compact, socially integrated and energy efficient. They integrate residential functions, work compatible activities, adequate facilities and spaces, culture and social integrating with leisure and sport facilities. Furthermore, the layout of the settlement structure must provide the road layout with public space. This concept is within sustainable urban planning which is one of the cornerstones of the planning and design of settlements. Urban regeneration also involves planning which promotes land use models. This is essential for achieving mobility objectives. The planning model under urban regeneration must be translated into a series of essential actions, as follows:

- i. The promotion of anti-sprawl initiatives.
- ii. Encouraging integration and functional mixes.
- iii. The development of public transport in line with the
- iv. Provisions of the plan and pedestrian-sized neighbourhood.
- v. Enhancement of open spaces.

Therefore, planning models must not only involve technical aspects but also housing, economic, social, cultural alternative which take into account these factors:

- i. Individual consumption is accompanied by individual or collective activities with low cost and low environmental impact.
- ii. Mix built public spaces with low cost and low environmental impact.
- iii. Economic investment key sectors such as urban farming and services.
- iv. Cultural aspects which integrate all races.

## 6. URBAN REGENERATION FRAMEWORK

### *Community Wellbeing*

In Malaysia, community development has been the underlying policy since independence and the emphasis has been on people's participation in government-sponsored activities. The success of community development and the outcomes of the programmes have an enormous impact on communities. In addition, citizen health and wellbeing has become the fundamental pillar of sustainable development in Malaysia: Wellbeing is a priority in Malaysia's Vision 2020. The United Nation's Millennium Development Goals (MDGs) Report 2015 reveals that Malaysia is making positive progress in meeting certain MDGs. Social regeneration needs balance in order to help the urban poor's wellbeing, financial ability and social integration. This is achieved by giving them priority together with physical and economic regeneration in any city development and also in any city transformation. The recent announcement on National Community Policy shows the seriousness by the government and was formulated by the Housing and Local Government Ministry (KPKT) to improve the lives of the 'Below 40s' (B40) living in the public housing or 'Projek Perumahan Rakyat (PPR)'. The National Community Policy (NCP) is part of the National Housing Policy 2018-2025,



not only tackling the issue of the generation gap, but most importantly the issue of disparity of social-economics among the urban poor in major cities in Malaysia. As stated in the Ministry of Urban Wellbeing, Housing and Local Government website, NCP has six goals, namely:

- i. To change the mindset of the people in the community.
- ii. To empower the community to take charge and be responsible for the proper maintenance of the place they live in and share.
- iii. To create a sense of belonging and ownership in the community.
- iv. To empower the community to love and care for their neighbours.
- v. To have meaningful social interaction among members.
- vi. To learn to network and collaborate with the private sector and NGOs to build a resilient community.

### **Urban Heritage**

The phenomenon of new design township development; depopulation of inner city; intensive and uncontrolled development pressures; inadequate legislations and enforcement; changing lifestyles and consumption patterns of city dwellers; expectation of new tourists; public awareness; and environmental degradation are the challenges faced by heritage cities in Malaysia, particularly in major cities (Mohamed et al. 2001). Thus, it is timely to rejuvenate the historic cities for ensuring the life quality of the local community. In order to change the urban fabric of places it needs people to make diversity a priority. Moreover, people have suggested that the government can do something for improving the current fabric of places to create mixed neighbourhoods as well as people utilising the places well. Hence, urban regeneration initiative is believed will liven up heritage sites through restoring the identity of the heritages, the wealth of the prestigious past of historic cities, retaining the original community as well as improving their lifestyle [16].

### **Economic Regeneration**

Urban regeneration is perceived as a strategy to help the inner cities' economy without depriving the existing communities in the cities. However due to pressure from market forces has led to the highest and best use in maximising profit when property is redeveloped. For instance KL Sentral Regeneration project is one of the regeneration projects but failed to address social issues. The KL Sentral project was initially aimed to revive Brickfields in order to strategise urban planning within the areas. Many local communities and properties have been relocated to give way for commercial development in the area. The impact from the development is that the area has lost its community atmosphere due to the heavily commercialised development. Therefore the urban regeneration concept is not just aimed to stimulate economic regeneration, but also balance with social identity. Another project which is still under construction in Kuala Lumpur is PNB 118 Tun Razak Exchange. The project is also part of the Kuala Lumpur urban regeneration, nevertheless the city council does not have a plan for the area to be balanced with social identity. Whether the development is able to meet the ideal concept of urban regeneration is still in doubt. In an economic regeneration, apart from the benefits perceived from economic activities,

there is a price to pay such as social inclusiveness and a sense of belonging is beginning to disperse. The existing regeneration projects in and around Kuala Lumpur have shown the same pattern. The imbalance between economic activities and social responsibility has placed Kuala Lumpur as merely a place for work, but not to live. Therefore, urban regeneration aims to revive the inner city areas to boost the local economy, and to help the deprived communities in the areas.

### **Law and Regulations**

Malaysia has sufficient laws that could regulate almost all aspects of urban regeneration. These laws with some modification, which will be discussed later, support physical land development or its regeneration. For instance the security of title is needed for urban regeneration, which the National Land Code, in theory, provides. On the ground, however, the Land Registry records need to be updated so that accurate spatial information of the parcel/lot of land, its value, planning restrictions, and of the land-owner/s are available, and are accessible to the authority in charge of urban regeneration, so that the cost-effectiveness of a regenerating project could be assessed and an appropriate decision be made. The issue of a win-win situation, which was raised by the panel in the group, may be relevant in case of scarcity of land and when private land is acquired compulsorily under its law. For taking of private land for regeneration purposes, the existing Land Acquisition Act 1960 is sufficient to an extent, however it needs a fixed policy on which method has to be used. If the consent of the landowner is to truly be a precondition for the acquisition of the subjected land, a joint-venture, under section 3A of Land Acquisition Act (LAA), or land swap under section 15(1) of LAA or a mix of them and others should be preferred over merely giving land market value or higher. This practice has been criticised for being unfair due to a lack of certainty about the real market value of the land. To do this, sections 3A, 3B and 3E of the Land Acquisition Act 1960 have to be revised so that the participation of the landowner is made mandatory in certain locations or types of property e.g. residential redevelopment projects. Theoretically, these may provide not only fairness to the landowner, but it also may be a cheaper alternative both to the landowner and to the developing party. This is further explained under the next section. For the purpose of urban regeneration framework, from the land administration point of view, the following initiatives are suggested and need to be highlighted, are follows:

- i. Principles of good governance to be adhered to in the execution of duties under land administration.
- ii. The policies and the execution of strategies in urban regeneration plans should comprise of the following items:
  - a. Physical development.
  - b. Economic development.
  - c. Social development.
  - d. Insistence on environmental protection.

Therefore the redevelopment in terms of regeneration should give attention to the following activities:

- i. The interest of all citizens, especially the poor and needy.
- ii. The restriction of rights of citizens or the taking of their

- iii. Property for the redevelopment project be fair and just.
- iv. The products of the redevelopment be affordable by the low and middle income groups, as follows:
  - a. New methods of land acquisition for regeneration projects to be used that provide fairness, consensus and the highest chance of implementation and compliance.
  - b. For affordability of the products, a variety of traditional and alternative methods of financing, tax exemption, and other incentives be chosen.

The laws to be interconnectedly read so that finance, construction and monitoring of redevelopment projects are handled according to the policies set under the redevelopment and regeneration agenda.

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