



NAVIGATING STRATEGIC REDEVELOPMENT IN SINGAPORE

2023

Understanding the key success factors
for redevelopment and regeneration
proposals in Singapore



A new wave of urban transformation is sweeping Singapore as we witness the rise of hybrid work and more demand for vibrant mixed-use city centres with live-work-play elements.

Singapore is embracing a new era of work and play. Gone are the days of traditional office set ups and single-use retail destinations as more workers favour greater flexibility and consumers demand an experiential shopping and dining experience. The rising trend of blended remote and office work has seen a shift in commuting patterns and a transformation of the way we use our city.

A greater focus on time and quality of life is transforming Singapore's office and retail dominated city centre as vibrant mixed-use neighbourhoods become increasingly attractive places to live. They offer residents more opportunities with greater connectivity, convenience, and more intimate, people-friendly public spaces.

But strategic redevelopment of the city's old office buildings requires work, with challenges associated transforming the city centre into a 24/7 mixed-use district. To better support the continued growth and

evolution of the city centre, the Singapore Government introduced new incentive schemes in 2019 to help rejuvenation efforts. These schemes have become even more relevant today given the challenges faced by cities in the post-pandemic recovery.

The schemes are designed to encourage developers and asset owners to think beyond the boundaries of their own commercial assets and take the initiative in urban transformation. They also offer a broader range of options when it comes to redevelopment, divestment, and asset enhancement.

Singapore's rejuvenation incentive schemes encourage comprehensive redevelopment of older, obsolete buildings in strategic areas across the Island in line with the government's broader planning objectives. Eligible building owners and developers may submit proposals seeking higher plot ratios as well as flexibility on land use, use quantum, as well as building height. The incentives available under this scheme are at the discretion of the Government, and are tiered based on a range of factors, including the contribution of redevelopment towards placemaking, local economic development and broader planning objectives.

THE STRATEGIC DEVELOPMENT INCENTIVE (SDI) SCHEME

The SDI Scheme is intended to encourage the redevelopment of older buildings in strategic areas into new, bold and innovative developments that will positively transform the surrounding urban environment.

Development Objectives

- ▶ Provide a framework to evaluate and guide proposals that deviate from existing planning parameters for the site.
- ▶ Help plug critical gaps in the planned pedestrian networks for the precinct.
- ▶ Open up a view corridor or physical access to a key public asset.

Eligibility Criteria

- ▶ Current Building Age - At least 20 years old from the date of the last TOP.
- ▶ Current Land Use - Commercial or mixed-use developments with predominantly commercial uses.
- ▶ Impact – Proposals should include a minimum of two adjacent sites and have a transformational impact on the surrounding environment.

This incentive scheme requires developers to undertake additional steps during the planning, design and approvals process.

Applications are expected to meet specific eligibility criteria and demonstrate key outcomes in the areas of productivity and sustainability. Proposals that tell a clear story around the benefits of redevelopment from the perspectives of design, economics and placemaking are those most likely to succeed.

HOW CISTRI CAN HELP

To achieve approvals success, it is crucial to understand the eligibility criteria and the submission process, as well as authority expectations around the quality of submissions and the expected outcomes related to shaping a vibrant, economically competitive and liveable Singapore. Cistri has the expertise and experience to help you navigate this process. Our Strategic Development Advisory practice in Singapore is led by Edwin Loo, who conceptualized these incentive schemes over the course of a decade working at the heart of urban renewal policy in the Singapore Government. We combine our multidisciplinary expertise and strong track record for developing vibrant precincts to navigate the fundamentals and bring your vision to life.

Strategic Redevelopment Advisory for Building X, Tanjong Pagar, Singapore (2020)

In collaboration with a team of architects, quantity surveyors and traffic consultants, Cistri developed several redevelopment options for a constrained infill site in Tanjong Pagar occupied by an existing 1970s office building for a private client.

Cistri's multidisciplinary study included market analysis to determine the optimal development mix, costings, and a massing study for submission to the Urban Redevelopment Authority for outline planning approval. Cistri also conducted a financial feasibility study, comprising of a discounted cash flow analysis and residual land value determination for the various scenarios to determine the highest and best use of the site to inform the Client's decision-making process.

Roofdeck – Pool And Gym	<p>APPRECIATE</p> <p>A roof deck amenity with pool and gym with unobstructed views of the surrounding landscape of greater Tanjong Pagar.</p>
11th – 15th Storey Hotel Rooms	<p>STAY AND LOUNGE</p> <p>Majority of rooms will have unblocked views of the conservation shophouses. Sky terraces will allow hotel guests access to nature as well as reduce the urban heat island effect.</p>
10th Storey – Sky terrace and spa	
4th – 9th Storey Hotel Rooms	
3rd Storey restaurant	<p>WORK & DINE</p> <p>Mix of uses will enhance the vibrancy of Peck Seah St.</p>
2nd Storey Co-working and Meeting Rooms	<p>SERVICING AND PARKING</p> <p>Parking and servicing will be kept away from the street and confined to the basement.</p>
1st Storey - Hotel Lobby, Bar, Drop-Off, Through Block Link	

KEY DRIVERS OF SUCCESS

Success requires a journey of partnership with the public sector. The need to find a common solution that meets your investment and development objectives but also provides community benefits and outcomes that will anchor Singapore's position as a dynamic, vibrant and connected community.

The journey is not a one-step process but a considered strategic approach. A scheme must be grounded in four fundamental elements, all interlinked, to succeed: planning, design, placemaking and economics.

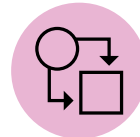
Cistri has a strong track record in combining these critical elements to tell a compelling story, which means a partnership approach with us gives you a greater chance of success.



PLACEMAKING

Placemaking is the unique blend of social, cultural and economic elements that makes a place memorable. Public spaces provide opportunities for social interaction, community engagement and cultural exchange, while events and activities that take place in well-positioned, connected public spaces create a sense of community.

Proposals need to show how redevelopment contributes to the wider vibrancy of the neighbourhood and how this enriches the experience of place for the wider public.



PLANNING

Planning defines the scope of the project and establishes a clear vision for the redevelopment, with an assessment of existing conditions in a physical, social, economic, and environmental context.

Planning applications seeking redevelopment incentives must go above and beyond a standard submission and demonstrate clarity of thought around how a proposal helps to drive broader planning strategies.



DESIGN

Design is critical in ensuring the redevelopment project is visually appealing, functional, and in line with authority policy priorities and planning guidelines. Massing and height must be carefully planned to ensure the project meets the eligibility criteria.

A thoughtful design that balances the need to fit in additional floorspace while responding sensitively to the context has the best chance of success.



ECONOMICS

Development feasibility will determine if the project is financially viable, while wider economic impacts and benefits must be identified and considered. A win-win proposal generates economic benefits to society while providing a developer with a viable return given the risks and costs involved.

Balancing this equation requires a fundamental understanding of the market demand for different uses, and the optimal mix that generates a return for a developer as well as society at large.

WANT TO KNOW MORE?

We'd love to talk to you about how we can help you realise your vision for strategic redevelopment.

To speak to our team, please contact:

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