Deregulation policy and gentrification in Chuo Ward, Tokyo

Professor Yoshihiro FUJITSUKA

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Ilhong Ko

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Between the 1980s and early 1990s, when land values in Japan soared, numerous plots of land near Central Business Districts (CBDs) were bought up as investments, and former tenants were displaced. The period also saw financial institutions such as banks and insurance companies moving into the Tokyo core. Industrial restructuring significantly increased the number of white-collar workers in Tokyo. In an attempt to recover its population, the local government of the Chuo ward in central Tokyo implemented a new initiative, known as the Housing Linkage Program, for large developments in 1985.

The Chuo ward government set two standards for the Housing Linkage Program according to the zoning. In the case of commercial zoning, developers were required to supply housing whose total size should be 50% or more of the project site, otherwise be extended beyond 100% of the project site. The floor space of each housing unit supplied by the Housing Linkage Program had to measure 40 square metres or larger. One problem with the Housing Linkage Program, however, was the rising cost of private housing, which resulted in a shortage of affordable housing. With the collapse of Japan’s economic bubble, reconstruction plans were abandoned. Land values continued to drop during the ensuing economic slump, which lead to high mortgage arrears rates and indebtedness. Because numerous underused plots of land stood close to Tokyo’s CBD, revitalising these areas became the government’s primary objective. In the late 1990s, price deflation drove Japan’s economy into a recession. Many small and medium-sized factories in inner Tokyo closed down or moved to other regions or abroad.

In 2002, Japan’s government introduced the Urban Regeneration Policy with a budget of 2.5 billion yen as an economic stimulus measure to address problems related to bad loans in the central areas of major cities. The Urban Regeneration Policy designated districts as Emergency Urban Development Areas in the central areas of Japan’s major cities. 70% of the land in the Chuo ward was designated as an Emergency Urban Development Area. The Tokyo metropolitan government could thus decide on a Special Urban Development Area in the Emergency Urban Development Area, and a building height was exempted from the height district. Limitations to the floor area ratio in zoning were also deregulated in this area.

Chuo ward experienced an increase in population due to the implementation of the Housing Linkage Program (Fig. 1). At the same time, the number of single households increased, though, the Chuo ward government revised its housing policy, and the Housing Linkage Program was abolished in 2003 to be replaced by a new deregulation policy concerning the construction of high-rise residential buildings. The ward government also promoted a scheme to increase the number of family households, only long-term residential buildings were allowed to increase the floor area ratio to 1.3 times the standard floor area ratio.

The number of construction disputes increased in the first half of the 2000s; therefore, in 2000, in order to resolve the dissatisfaction with high-rise building construction, the increase in the floor area ratio was reduced from 1.3 to 1.2. Consequently, the number of construction disputes dropped in the second half of the 2000s, and during this period, Chuo ward witnessed the highest increase ratio (24.8%) of professional, technical managers, and officials in Tokyo. The number of these workers increased in three districts: Taikishima, Nihonbashi, and Minato. Tsukishima is located on the southern part of the Sumida River. There were warehouses, and a shipyard in Tsukuda, which is to the north of Tsukishima. Redevelopment of these sites began in the 1980s; high-rise condominiums were constructed, and affluent people started to live there. Nihonbashi is located in the north-eastern part of Chuo ward. Wholesale shops were once agglomerated in this district. However, as the wholesale business declined, many wholesale shops were replaced by condominiums, which attracted white-collar workers. Developers invested in this district to redevelop the former sites of wholesale shops. Deregulation, such as changes to slant plane limits to the floor area ratio, increased in the first half of the 2000s; therefore, in 2004, in order to resolve the dissatisfaction with high-rise building construction, the increase in the floor area ratio was reduced from 1.3 to 1.2. Consequently, the number of construction disputes dropped in the second half of the 2000s, and during this period, Chuo ward witnessed the highest increase ratio (24.8%) of professional, technical managers, and officials in Tokyo. The number of these workers increased in three districts: Taikishima, Nihonbashi, and Minato. Tsukishima is located on the southern part of the Sumida River. There were warehouses, and a shipyard in Tsukuda, which is to the north of Tsukishima. Redevelopment of these sites began in the 1980s; high-rise condominiums were constructed, and affluent people started to live there. Nihonbashi is located in the north-eastern part of Chuo ward. Wholesale shops were once agglomerated in this district. However, as the wholesale business declined, many wholesale shops were replaced by condominiums, which attracted white-collar workers. Developers invested in this district to redevelop the former sites of wholesale shops. Deregulation, such as changes to slant plane limits to the floor area ratio, increased in the first half of the 2000s; therefore, in 2004, in order to resolve the dissatisfaction with high-rise building construction, the increase in the floor area ratio was reduced from 1.3 to 1.2. Consequently, the number of construction disputes dropped in the second half of the 2000s, and during this period, Chuo ward witnessed the highest increase ratio (24.8%) of professional, technical managers, and officials in Tokyo. The number of these workers increased in three districts: Taikishima, Nihonbashi, and Minato. Tsukishima is located on the southern part of the Sumida River. There were warehouses, and a shipyard in Tsukuda, which is to the north of Tsukishima. Redevelopment of these sites began in the 1980s; high-rise condominiums were constructed, and affluent people started to live there. Nihonbashi is located in the north-eastern part of Chuo ward. Wholesale shops were once agglomerated in this district. However, as the wholesale business declined, many wholesale shops were replaced by condominiums, which attracted white-collar workers. Developers invested in this district to redevelop the former sites of wholesale shops. Deregulation, such as changes to slant plane limits to the floor area ratio, increased in the first half of the 2000s; therefore, in 2004, in order to resolve the dissatisfaction with high-rise building construction, the increase in the floor area ratio was reduced from 1.3 to 1.2. Consequently, the number of construction disputes dropped in the second half of the 2000s, and during this period, Chuo ward witnessed the highest increase ratio (24.8%) of professional, technical managers, and officials in Tokyo. The number of these workers increased in three districts: Taikishima, Nihonbashi, and Minato. Tsukishima is located on the southern part of the Sumida River. There were warehouses, and a shipyard in Tsukuda, which is to the north of Tsukishima. Redevelopment of these sites began in the 1980s; high-rise condominiums were constructed, and affluent people started to live there. Nihonbashi is located in the north-eastern part of Chuo ward.

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