

The Shift Towards More Inclusive Urban Regeneration

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Introduction

The past few decades have witnessed a surging interest in urban regeneration. The term can be broadly defined as the process of revitalizing and renewing areas within a city or town that have experienced decline, disinvestment, or neglect. It involves a coordinated set of social, economic, environmental, and physical improvements aimed at transforming underused or deteriorated urban spaces into more vibrant, functional, and sustainable communities.

Urban regeneration acknowledges the need for cities to be cyclically transformed. Cities' survival and growth is inextricably linked to their ability to constantly 'shed their skins', physically adapting to new technologies to stay socially robust and economically competitive. Renewal of inner-city neighborhoods does more than preserve surrounding farmland and ecological habitats from

sprawling development. It has been shown to support broader sustainable development goals: Improving residents' quality of life by providing urban amenities, social welfare, and greenery, upgrading aging infrastructure to deliver cleaner water and better waste management, and strengthening the urban economy by optimizing densities.

Traditional Urban Regeneration

Typically, urban regeneration is authority-led, characterized by interventions designed to upgrade the physical and social fabric of a city. By this model, local municipalities usually take the lead in planning and financing projects that focus on re-master planning alongside infrastructure improvements in road networks, transit systems, utilities services, enhancement of parks, or sometimes the provision of social welfare facilities like schools, healthcare and community centres. These interventions are planned with focused direct business and citizen participation but rely more heavily on capital injections – and associated targets - from municipal and national budgets.

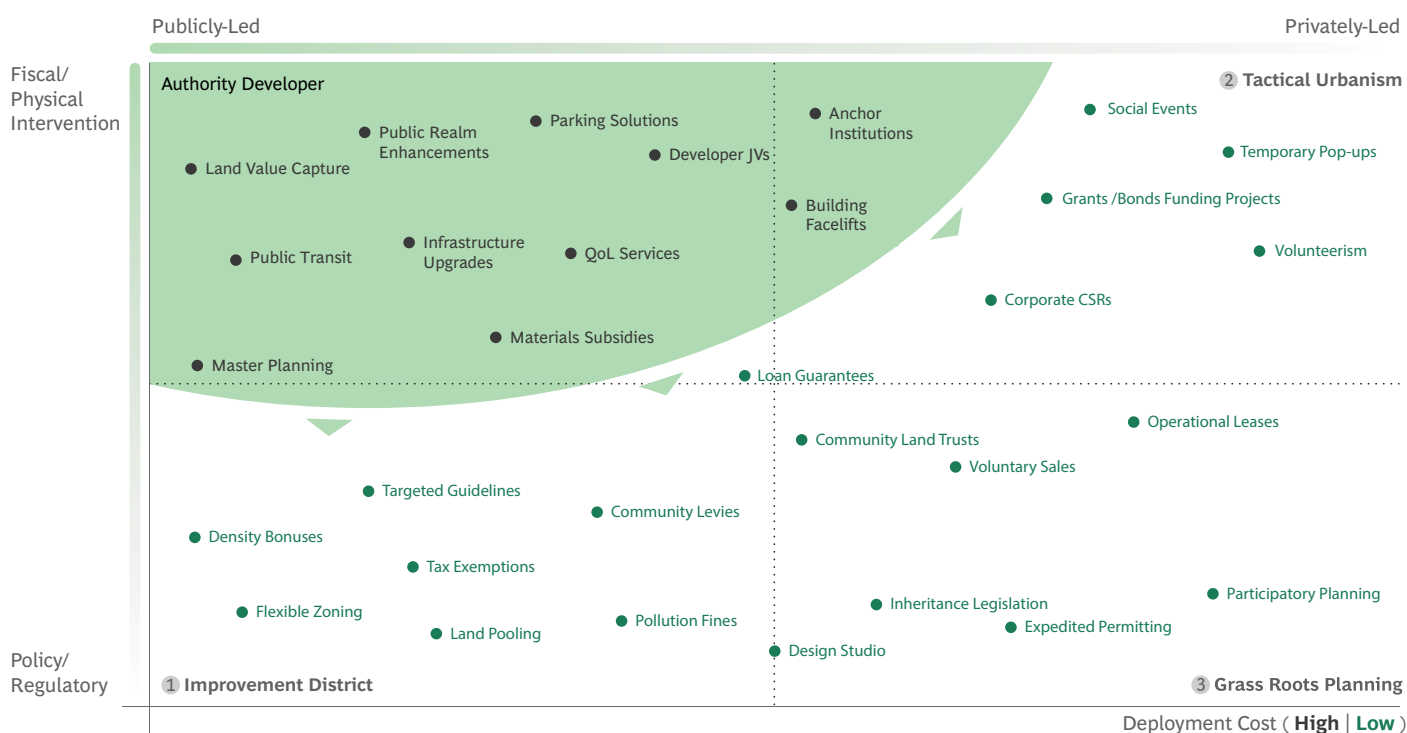
Countless regeneration initiatives exemplify this model. The Clichy-Batignolles project is one recent case whereby the city owned local development corporation SPLA (Société Publique Locale d'Aménagement) transformed former railway yards northwest of Paris into a sustainable mixed-use district centered around Martin Luther King Park. The SPLA maintained tight control over land use, design standards, and sustainability goals creating eco-friendly housing, offices, public facilities, and the new Paris Courthouse. Hamburg provides another example. HafenCity Hamburg Gmb, a city-owned development corporation, solely led and coordinated the urban design, sustainability goals, and investment strategy of 157 hectares of former port and warehouse land along the Elbe River, creating a new flagship mixed-use urban district crowned by the Elbphilharmonie concert hall.

Inclusive Urban Regeneration Models

However, the Authority-developer model is now becoming prohibitively expensive for municipalities. Experiences are proving that the costs almost always extend far beyond the visible physicality of buildings and infrastructure. Financially, securing sufficient funding to cover capital and future operations is a persistent hurdle as authorities face dwindling revenues and allocations from governments. Second, coordinating across municipal departments and managing diverse stakeholders requires resources, expertise, and time. Thirdly, fragmented land ownership, the need to remediate polluted or brownfield sites, and the lack of accurate information on existing ground conditions all drive costs upward. Finally, authorities' limited knowledge of real estate market trends, preferences, and innovations risks transformation failures. Swaths of crumbling neighborhoods and infamously delayed projects common in almost every big city testify to the magnitude of these challenges.

Nonetheless, councils have been stepping up their efforts. The traditional costly and complex interventionist model is gradually giving way to more innovative, incremental, and collaborative approaches to regeneration. Municipalities are now experimenting with a wide array of policies and strategies that embrace stronger private sector involvement in visioning, planning, management, and execution, but more importantly in shouldering their associated costs. This article presents three distinct – but often intertwined - ways how this is happening, with exemplary cases from global cities leading the way.

Exhibit 1 - The Three Models of Inclusive Urban Regeneration



1. Improvement Districts

An ‘Improvement District’ is a geographically defined area within a city where businesses and/or households come together to collectively fund and deliver projects, services, and aesthetic improvements that enhance the local urban environment. To instigate the redevelopment cycle and attract interest, these initiatives typically surpass what the municipality provides for residents, such as improved public realm and place management.

By this approach, municipalities offer ‘bribes’ to property owners, developers, financiers and tenants to invest in renewal in return for concessions. Municipal coffers score ‘double-whammy’ financial rewards: Some services, rendered traditionally by authorities, are financed through special levies paid by owners or users within the district while property tax returns are buoyed by new development. The result is a prosperous enclave that generates virtuous cycles of growth, with eventual spillovers onto its immediate surrounding.

In this model, municipalities deploy their regulatory rather than interventionist prowess. Tactics take numerous forms depending on the municipal level of autonomy, revenue models, and general market appetite for real estate and services. Strategies can range from urban planning bonuses on allowable development densities or land use types, to laxer – or sometimes more stringent building code or infrastructure standards or requirements, to innovations in property taxation schemes such as Tax Increment Financing (TIF).

Camden Town



‘Camden Town Unlimited’ was established in 2006 as a Business Improvement District (BID) to tackle long-standing issues in Camden Town such as poor public realm, congestion, and crime. The BID issued the Camden Local Plan which stipulated housing to be built in conjunction with any commercial real estate to ensure urban integration and set out conservation requirements for shopfronts safeguarding vitality and heritage of main streets. And although private developers were already required to contribute to infrastructure and affordable housing, Camden also had a Community Infrastructure Levy (CIL) on business owners to help fund infrastructure

and regeneration-related services such as additional security, cleaning, and high-quality public spaces.

22@ Barcelona



In 2000, the Barcelona City Council approved a modified metropolitan planning instrument to rezone the Poblenou industrial area that had become underused or abandoned yet was very well-located with good connections to the city centre. The new zoning (22@) offered increased buildable floor areas as incentives to attract knowledge economy activities. The instrument also allowed flexible forms of spatial interventions and employed adaptive governance to respond to evolving stakeholder needs over time. Finally, the council launched the Urban Lab initiative, a program that uses public spaces as a testing environment to pilot new products, services, infrastructure, or technologies, especially those addressing sustainability and ICT.

Lisbon Urban Rehabilitation Area (ARU)



Lisbon spearheaded a citywide program to tackle widespread building obsolescence and inner-city decline. The ARU unlocked a package of regulatory and fiscal incentives (granted under national law) aiming at instigating building rehabilitation. These included property tax exemptions for renovated buildings (for 5 years after completion), transfer-tax exemption for acquisitions intended for rehabilitation, in addition to reduced capital-gains rate on disposals of ARU-renovated homes and reduced VAT on reconstruction works. Tax breaks were also coupled with subsidized and guaranteed loan programs.

2. Tactical Urbanism

Tactical Urbanism loosely refers to a set of short-term but scalable interventions in the built environment aimed at improving urban spaces and testing new ideas before committing to long-term investments. Its main purpose is to engage the public on how spaces are designed and can be used. Tactical Urbanism does not require any regulatory overhauling but instead relies on the quick deployment and trialling of interventions, in hopes of seeding catalysis of large-scale regeneration.

The main advantage of tactical interventions is their low-cost nature, obviating the need for significant public funding. Even more appealing, initiatives are frequently community-driven and funded by private sector stakeholders such as local businesses, developers, or NGO's who recognize the economic value in revitalizing streetscapes and attracting more people to their areas.

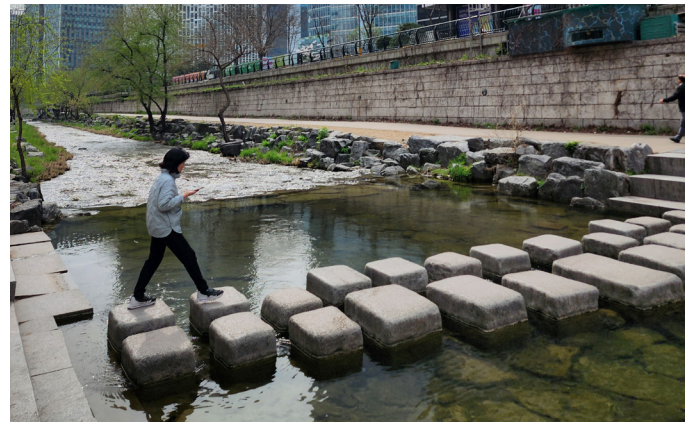
Practices branded under Tactical Urbanism are well documented. They are very diverse and can range from painting crossings or bike lanes, to creating temporary parklets by repurposing waste lands, pop-up markets, or themed events, street pedestrianizations on select days, to reclaiming rundown spaces through street arts or guerilla gardening. But the common denominator across all is a series of coordinated surgical incisions that can snowball into transformation waves.

Barcelona Superblocks



In Barcelona, a transformation of superblock streets was one successful tactical pilot project. The city deployed paint, planters, bollards, and movable furniture to quickly convert internal streets into pedestrian- and cyclist-priority areas while restricting through-traffic with modal filters and tight speed limits. Temporary plazas, widened sidewalks, and added greenery created immediate benefits as more space for play, shade, and social life, while enhancing air quality, noise, and mobility. These piece-meal interventions boosted surrounding property prices, turning short-term pilots in neighbourhoods like Sant Antoni into frameworks for citywide emulation.

Cheonggyecheon River



The famous removal of a decaying elevated highway in central Seoul to uncover the buried Cheonggyecheon stream is world famous. However, few remember that it was preceded by a series of tactical strategies that helped prove its feasibility. City officials piloted traffic rerouting and bus-priority lanes, staged temporary road closures, and set up on-site exhibitions for residents to experience a car-free alternative. Temporary landscaping, walkways, and cultural events created low-cost previews of the restored public realm and framed it as both an ecological and cultural revival. Together, these interventions overcame public resistance and generated the momentum necessary to what eventually became one of the most sought-after commercial strips in the city.

Luchtsingel Bridge



Conceived to reconnect fragmented neighbourhoods around the Schieblock building in central Rotterdam, the tactical regeneration project was financed largely through crowdfunding, with donors sponsoring planks engraved with their names. Alongside the bridge, the "Test Site" introduced temporary cultural venues, urban farms, pop-up parks, and creative offices in underused spaces, using lightweight, modular designs to activate the area quickly. With little initial involvement from city council, these grassroots and private actors successfully reanimated a declining part of the city, attracting businesses, visitors, and long-term investment.

3. Grass Roots Planning

Participatory planning is a collaborative approach in which residents, stakeholders, and local organizations get actively involved and themselves lead the regeneration effort by shaping visions and policies on the development and operations of their district. In stark contrast with top-down planning, the emphasis is on inclusive dialogue, shared decision-making, mutual trust, and collective ownership of policies, and projects.

Community planning comes at a negligible price tag because its core emphasis is on dialogue, collaboration, and consensus-building rather than on major financial outlays. The process relies more on time, coordination, and stakeholder engagement than on expensive technical studies or infrastructure investments. In this model, the municipality plays a crucial coordinating role, acting as a neutral mediator ensuring all hurdles are disentangled and facilitating structured agreements around redevelopment.

Many initiatives fall under this spectrum. These include soft planning tools such as workshops and forums on the future of a district slated for regeneration, field surveys and digital platforms, and collaborative design charrettes with developers. But there can also be facilitations to loosen regulations hindering redevelopment, such as covenants leading to voluntary sale of plots, property inheritance arbitrage and agreements, expedited permitting of community approvals and so on.

Granby Four Streets

In Liverpool is a landmark case where residents themselves initiated change after decades of decline and council neglect. Local people began by using simple, tactical strategies like painting derelict houses, organizing street markets, and cleaning up public spaces to demonstrate care for their environment. These grassroots actions led to the formation of the Granby Four Streets Community Land Trust (CLT), which gave residents direct control over planning. Partnering with social investors and the architectural collective Assemble, the CLT renovated many vacant properties into affordable homes and community facilities.

Vauban District



Another groundbreaking participatory planning case is the Forum Vauban in Freiburg, a grassroots residents' association that partnered with the city council and authored the district's master plan. Through workshops, design charrettes, and neighbourhood assemblies, residents scrapped rigid regulations converting a brownfield site of abandoned barracks into a mixed housing neighborhood with diverse ownership models and strong social services.

Bottom up, residents shaped everything from mobility priorities to energy standards and green infrastructure. Decades later, their influence led to Vauban boasting Germany's first Net-Zero house (Kleehäuser) and first Energy Positive building (The Sun Ship). Today, Vauban has become an internationally recognized model eco-district with car-free streets, Europe's lowest car ownership ratio, community-owned housing cooperatives, and buildings meeting advanced sustainability standards.





Conclusion

As two-thirds of the world's population is expected to live in cities by 2050, the need for the renewal of dilapidated and underperforming stock is taking centre stage. The challenge is even more pressing as most large cities are racing to meet ambitious sustainability transformation visions and agendas set by their national governments and mayors.

However, the task is anything but simple. Seeding and nurturing inclusive regeneration requires employing the right mix of strategic, policy, planning, and fiscal incentives that many often are dizzying in complexity and need to be carefully considered. Accordingly, the framework presented here can serve as a tool for public stakeholders such as mayors and city planning departments to:

- Understand and map current renewal efforts across the matrix and assess potential intervention or policy gaps.
- Benchmark what other cities and towns are doing to

achieve regenerative cycles and how their own efforts fare in comparison.

- Explore new opportunities across each of the quadrants of regeneration by identifying rundown districts and their unique characteristics and potential.
- Engage all stakeholders from private investors to non-governmental organizations to brainstorm creative regeneration ideas.
- Devise comprehensive and multi-dimensional strategies to ignite short-term renewal momentum as well as long-term incremental and sustained uplift while ensuring financial stability.
- Build strong implementation of roadmaps for each strategy and engage stakeholders to execute with solid footing.

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