How "Reinventing Paris"
Is Making Urban Innovation
Possible
(and Why It Is Not a Silver Bullet)

Interviewees:

→ **Marion Waller**, councillor to Jean-Louis Missika (Deputy to Mayor of Paris Anne Hidalgo in charge of urban planning, architecture, the Greater Paris projects, economic development and attractiveness, Missika is the mastermind behind the Reinventing.Paris concept. In 2008–2014, he served as Deputy to Mayor Bertrand Delanoë, focusing on innovation, research and universities.)

→ **Nicolas Ledoux**, associate director at Algoé, consultant specialised in the areas of public strategy, city innovation and town-planning. Key Account Manager for Greater Paris. Algoé provided consulting and project management for Réinventer Paris, Réinventer la Seine, Inventons la Métropole du Grand Paris, and the ongoing Reinventing Cities.

→ **Emmanuelle Obligis**, director of expertise and project engineering at La SCET, the company that assists the Paris City Council and the Urban Planning Department in evaluating competition projects for Réinventer Paris 2 from a variety of aspects (structural, regulations, program, innovation, sustainable development).

→ **Guillaume Hébert**, associate at and co-founder of Une Fabrique de la Ville, a company that provides consultanting on large-scale urban projects. Une Fabrique de la Ville participated in managing Réinventer Paris 1 and Inventons la Métropole du Grand Paris.

→ **Aurélie Paquot**, project manager at Une Fabrique de la Ville.

On November 3, 2014, Anne Hidalgo, Paris's newly-elected Mayor, announced a *call for innovative urban projects*. Boldly named "Réinventer Paris" (Reinventing Paris), the call aimed to transform 23 under-utilised sites across the city.

A whopping 815 teams from all over the world – Brazil to Singapore and Holland to Nigeria – responded to the call. 372 of those made it to the next phase; 74 were shortlisted for the final stage. At the time of writing (May

2018), eleven of the 22 awarded projects have received the building permit, five of which are about to break the Parisian ground.

Just three years after Hidalgo's call for projects, in November 2017, 15 of the world's major cities have jointly launched "Reinventing Cities" in London. Driven by C40 Cities Climate Leadership Group that unites 90+ countries in their attempt to tackle climate change, this unprecedented global competition was inspired by "Réinventer Paris".

Between these two events, there were others. The "Reinventing" model has triggered a string of competitions of varying scales across France: "Réinventer la Seine" in Paris, Rouen and Le Havre (2016); "Inventons la Métropole du Grand Paris" (IMGP) whose first edition rolled out 50+ sites in smaller towns across the Greater Paris area (2016); the ongoing 2nd edition of "Réinventer Paris" focused on the capital's underground spaces; "Imagine Angers" (2017)… Singapore's government-funded Centre for Liveable Cities (CLC) has recently commissioned a research on "Réinventer Paris" to see how this model could be adapted to the Singapore context. And we'll surely be seeing more cities, big and small, willing to test the "Reinventing" model.

In this paper, we dissect "Réinventer Paris" (RP), aiming to identify four "whats":

➜ what is unique about the "Reinventing" model?
➜ what does this model help the city to achieve?
➜ what are the lessons learned from the first edition of RP?
➜ what are the challenges, risks, and limitations of this model?

As part of a larger research on the competition culture in Europe, this helps evaluate the potential of exporting the "Reinventing" model to other cities and adapting it to other contexts.

➜ Réinventer Paris 1. Overview of the brief and procedure:

- **Innovation in content and form** was the **key requirement** for the competition proposals.

- **Multiple sites (empty plots and buildings)** were open for competition. Varying in size and located in various districts of Paris, **all of them were owned by the City or its partners** (social housing agencies and developers). Detailed information about each site was available to all candidates accepted into the 2nd phase. It could be accessed through a shared online Data Room, which was also a communication channel between the candidates and the project managers the City has appointed for each site, as well as their consultants.

- **Open program:**

  Program-wise, for the vast majority of sites – except for a former electrical substation, which the City wished to repurpose into "a cinema of tomorrow" – no specific requirements have been set. In a few cases, requirements were defined only loosely (e.g., smart use of the basement spaces in an existing building; integration of housing and local services on another site, or a mixed-use program for a larger, 1-hectare plot).

- **Multidisciplinary project teams:**

  RP has been formatted as a call for projects known in France as a *consultation*. Typically, this procedure follows one of the two models: a plot is offered with a fixed price and program, and the teams compete on the quality of the proposals – or only the program is fixed, and the plot is awarded to the highest bidder. The teams usually comprise a developer, an architect, and an investor – or there can be a winning developer who then organises its own *consultation* with several architects.

  With RP, where programs were largely open and the quality of innovation – rather than the price offer – was the main selection criteria, the competing teams had to involve a wider pool of experts. The Notice document made it a point that, "from project genesis to implementation, the aim is to bring together different actors whether investors, architects,

project owners, prime contractors, operators, users, researchers, artists, designers, startups, etc., to answer this call and turn the project into a reality."

- **3 competition phases:**

    After the launch of RP in November 2014, the candidates had until the end of January 2015 to submit their **expressions of interest**. The City then had about a month to analyse the submissions and rule out those that seemed unrealistic (e.g., single-person teams or unrealistic financial proposals). Long-listed teams were given about three months to prepare a comprehensive **initial offer**. The offers were assessed and shortlisted to 3-4 teams per site. The finalists had the Autumn of 2015 to elaborate on their proposals and submit the **final offer**. 22 winners were announced on February 3, 2016 (one site was not awarded for the lack of innovation).

- **The selection process:**

- Before each panel, a **technical committee** analysed the proposals to help the panels make their choice. Other tasks of the technical committee were to mediate the dialogue between the City and the project teams, and to steer real estate negotiations during the final phase.

- Initial offers were examined by the the **first panel**, comprised of elected officials, representatives of the City departments, and external consultants.

- Final offers were assessed by the **second, international panel**, comprised of elected officials and experts in various fields (including architects, ecologists, entrepreneurs, designers, mathematicians, and anthropologists). The international panel proposed a ranking of projects for each of the sites.

    Both the first and the international panels had an advisory capacity.

- Based on the international panel's ranking, the Mayor of Paris designated the winning project. Her decisions had to be approved by the City Council.

- **6 selection criteria**:

• The innovative nature of the project and the relevance of the proposed innovations to the specific context of each site, and to the state of the art and practices developed in the domain in France and abroad.

• The proposed price assessed against the market prices, the services and guarantees offered, and the project's nature and innovative content.

• The financial feasibility of the project and the viability of the proposed economic model over time, with the aim of rapid implementation.

• The project's architectural qualities and integration into its urban environment.

• Environmental characteristics and performance.

• The consistency between the nature of the project and the financial capacity of the promoter.

➔ **The beginnings:**

- **WHAT IF… the City takes the strategies of innovation-driven economy and applies them to urban design?**

"The initiative stems from the projects we pioneered during my former position in Mayor Bertrand Delanoë's delegation," explained Jean-Louis Missika in his <u>interview to NewCities</u>. At the time, Missika was in charge of innovation and higher education. "In 2010, we launched our first ever call for innovative projects, focusing on intelligent urban furniture. (…) We later launched other calls for projects covering diverse topics: energy, vegetation, support for dependent persons and urban metabolism. We quickly realized that the call for projects is a very efficient method of mobilizing all stakeholders around new ways of thinking about and building the city."

In 2014, when Missika became deputy to Mayor Hidalgo in charge of urban planning, architecture, the Greater Paris projects, economic development and attractiveness, one of the first things he did was to identify the "disused buildings or sites belonging to the City of Paris, which could be the launch pad for an open call for proposals."

Among the foreign initiatives that provided sources of inspiration was the international call for projects spearhead by New York's Mayor Bloomberg and aimed at creating the New York Tech University on Governor's Island. Missika also mentions participatory housing "where future owners or tenants conceive a building alongside architects" as another highly inspiring practice.

- **Using the asset disposal procedure to enable architectural and urban experimentation.**

It was the land sales procedure that allowed the widest possible degree of freedom for urban experimentation, explains Marion Waller. Public procurement is extremely regulated in France, and the city is unable to change many of those regulations, whereas land sales legislation is very open. In essence, the "Reinventing" model is based on the asset disposal mechanism, in which the city sells its less strategic land, – only in this case the land is sold not at an auction, but to the project group that will propose the most innovative, integrated and viable solution for a given site.

- **Defining architectural and urban innovation.**

"If, rather than selling to the highest bidder, you sell to those who propose the most innovative project, then you turn from quantity-to quality-based judgement. So you have to give very precise definitions of architectural and urban innovation," said Missika at the conference on RP organised by CGEDD (March 2016)

Rather than "prescribing" specific kinds of innovations, the city has mapped out several innovation areas. This created a broad palette of possibilities, from which each competing team could choose the ones that were most relevant for their project.

According to Missika, defining innovation criteria was a particularly challenging task, because the innovations had to "encompass all the fabrication processes of a city, right from the construction site, the management of the construction site, the waste emitted by the construction site, the materials used to construct the building, the energy management of the building – right up to the new uses for the building itself: new ways of working, new ways of consuming, new ways of living." The financial package, too, could be innovative, as well as "the way the different stakeholders come together on a project." (NewCities)

- **Selecting the sites.**

"Knowing that the Urban Planning Department considered selling a number of lots for quite a while already, we decided to put them up for sale all at once rather than one by one, as we'd normally do." (Waller)

"We created a comprehensive list of available sites," explained Missika. Immediate availability was the key selection criterion: "We wanted to ensure that not only the projects would be conceived in 2015, but that they could actually begin to take form in 2016.* For this to happen, the City needed to be the direct owners." (NewCities)

The 23 selected sites ranged in size from under 250 m^2 to over 1 ha. They included a 15th-century building that once hosted Paris's oldest Faculty of

Medicine, a <u>19th century industrial facility</u>, a <u>major administrative building</u> with a magnificent panoramic view, but also a number of disused railway sites and two segments of the belt road, to be built-over with bridge buildings.

*The initial plan was to start the construction of the fist projects by the end of 2016, with the objective to have the majority of the projects completed by 2020, the end of Hidalgo's term.

- **The critical mass effect.**

Amplified by a massive media coverage, the tactics of offering 23 plots in one go has proven very efficient. The offer included some highly valuable real estate, but also a number of "difficult" lots that the City was unable to sell separately, through traditional procedures. "District mayors have been struggling to find a solution for revitalising some of those sights for over a decade," Missika said at the CGEDD conference. Integrated in the RP package, they became way more attractive.*

* Of course, some sites were more popular than others. The electrical substation at the boulevard Voltaire has inspired 59 teams; the Morland building (40.000 m² facing the Seine) – 51; while sites like Pitet-Curnonsky (a series of unbuilt areas within a social housing complex on the edge of the city) – merely 9. (<u>Le Figaro Immobiler</u>)

- **The surprise effect**.

"What's more, this contradicted the conventional idea of Paris as a museum city where nothing is easy. Encouraging people to 'come have some fun' in this always-coveted city with its high-value real estate… the combination sounded incredibly intriguing!" (Waller)

→ **The challenges for the organisers:**

- **What if a call for innovations scares the candidates off, and the City will lose money?**

According to Waller, persuading colleagues in the city council was the first challenge they had to face. Innovation (as opposed to a price offer) seemed too difficult to quantify. And what if the demand for innovation would frighten rather than attract? And how do you even judge innovation?

"Everybody said we could not apply a startup strategy to urban design. Architecture is too complicated, you can't just come and bring in innovation…"

The reality check has proven RP attract hundreds of responses from French and international teams.

On the financial side, only 8 out of the 22 winning projects were awarded to the highest bidder (Missika at the CGEDD conference). The analytical report published by CLC stated that the RP initiative has brought the city "about Euro 565 million through the sale or lease of the sites. It could however have earned about Euro 1 billion by choosing the highest bidders over the most innovative."

Waller notes that, even though the city could have earned more if this real estate were sold through the traditional auctioning model, trying to sell each lot individually could have brought less money than the RP scheme. She concludes that the city has definitely not lost on RP.

- **Yes, but how to assess innovation?**

   RP identified 9 innovation areas:

1. Innovative uses;
2. Social innovations, anticipation of new lifestyles;
3. Innovations in citizen participation;
4. Innovations in promoting the Parisian heritage;
5. Innovations in inhabiting new places and developing new services;
6. Innovations aimed at resilience and energy efficiency;
7. Innovations contributing to the attractiveness and prestige of Paris;
8. Innovations aimed at adaptability, responsiveness and flexibility;
9. Innovations aimed at creating viable economic models.

"Public officials and jury members needed help in discerning 'innovation marketing' and cosmetic innovations from real, solid innovation," says Nicolas Ledoux. "We needed a framework for calibrating our assessments. We had to research for benchmarks in every field of innovation, find

reference projects on an international scale, and create pools of experts that would help us to identify real innovation."

- **How shall we guarantee the winners' long-term commitment and consistency?**

"This competition has activated all kinds of innovation agents," says Emmanuelle Obligis."The challenge now is to guarantee that these innovations will be implemented sustainably. Especially in the cases where project promoters team up with startups and young companies whose economic model is not solid enough yet… We need to make sure this is going to last."

→ What makes "Reinventing" unique, and how this helps:

- **The call for projects is centred around innovation.**

"Similar calls for projects have already been known across France," notes Guillaume Hébert. "It's the fact of centring the whole concept around innovation that has brought in a lot of new urban actors. They have maintained their presence [in the city-making process], and increasingly so, in other calls for projects."

- **The participants are allowed a wide degree of freedom.**

Waller calls this "a paradigm shift in the dialogue between public and private sectors". One of RP's key messages was that "instead of telling them, 'come and implement *our* ideas', we did something completely different. We said, 'come and propose *yours*'!"

- **Legal and financial innovations that made the entire project possible.**

To make sure the whole initiative won't end up with innovation-washing rather than real innovation, an innovation protocol has been created (comments Aurélie Paquot): "A contractual document annexed to the deed

of sale presents each innovation as a quantifiable objective and identifies those in charge of implementing them. The document will be valid for 10 years, during which the City of Paris will be able to monitor the project. Such protocols have never been used before."

Financial innovations. When a public structure sells its real estate, the procedure is strictly controlled by a government agency, the Direction de l'immobilier de l'État. "They have put in a lot of effort to verify the value of the land in relation to the proposed projects, because extremely diverse projects have been proposed for the same site. And of course they had to find a way to assess innovation. Those things were crucial to making the entire project possible." (Paquot).

- **Commitment to innovation was made a contractual obligation for the winners.**

"Reinventing" requires a different level of commitment from the developers – the level that necessitates a long-term vision, the ability to anticipate future uses, etc.

"With RP and other similar calls for projects, each candidate fills in a document, in which they specify the areas of innovation to which they commit. They have to define their innovation-related goal, specify their methods and the metrics for assessing innovation. This protocol is annexed to the deed of sale, such that the winner commits to implementing it and to having these innovations monitored for a period of 10 years upon the project completion." (Ledoux)

"In comparison, the normal process would only have required commitment on the price, land-use, number of offices or number of hotel rooms." (CLC)

Additionally, the documentation for the final offer contains every component of the sales contract that the future winner will have to sign: commitments to be made in terms of usage, program, environmental quality of the project, the involvement of the different members of the project team, notably the future users. Each candidate can therefore evaluate the risks and commitments before entering the final stage of the

competition. At the same time, developers and investors – from which such competition requires more time and resources than a traditional one – are assured that no nasty surprises will follow: all ins and outs of the future agreement are already laid out in the final offer. (Ledoux)

- **A sound business model as one of the key requirements.**

"As we are dealing with innovative projects where one cannot refer to previous examples, the level of commitment required in the final offer is much higher than usual. We will be looking into every component of the project's economic model to objectively asses the viability of the project over time – something we never did with more traditional competitions. The municipalities that sell their land can thus rest assured that the project will be implemented." (Ledoux)

- **Multidisciplinary project teams.**

"A major added value of this competition model is that the selection criteria include all-round teams that incorporate, for instance, the project's future users. Breaking up the classic 'developer – architect – construction company' trio, this condition brings in a lot of other players as early as the first phase. This adds depth to the project as it creates a more complete vision of its future functioning and allows the team to be more specific in their commitment – because the promoter has joined forces with the people who know what they are talking about." (Ledoux)

Importantly, the impact goes beyond the "Reinventing" competitions. A new collaborative culture is being created. According to Ledoux and Obligis, major developers across France have extended the practice of working with multi-disciplinary expert teams beyond RP and similar competitions. Successful relationships formed thanks to RP are maintained in other projects.

"In the 3-4 years following the launch of RP, we have seen developers hiring young employees and people from the public sector. They hire more women; they create innovation departments. They are compelled to hire other kinds of people than a traditionally-thinking developer would –

otherwise they just won't make it. All promoters that stuck to traditional methods have lost the competition, because they failed to understand the needs of the city." (Waller)

- **"For municipalities, this is a means of appealing to the collective intelligence of project groups. A means of creating a major innovation and creativity pool. This call for projects activates an entire ecosystem of urban actors.** We still need more feedback, but one could already appreciate the level of involvement: sociologists, startups, developers, construction companies, hoteliers… It's a fantastic innovation-brewing device, and I believe that for Paris and other municipalities this is also an extraordinary tool for communicating on the urban dynamics." (Obligis)

- According to Ledoux, the tension created by **short project development periods** helped resolve several persistant land ownership and other blocks (e.g., for some IMGP plots).

→ **What has been improved in further "Reinventing" competitions:**

- **The number of phases reduced, the long-listing filter toughened, and the requirements for the initial offer simplified.**

  RP1 had a very mildly filtered entry phase with an enormous shortlist of 372 projects for 23 sites. It also required an extremely detailed initial offer. As a result, in certain cases, up to 30 teams were competing for the same plot, having to invest considerable time and resources with a very small chance of making it even to the final stage. Having raised strong criticism (notably, from the Order of Architects), in subsequent competitions the procedure has been reduced to two phases. Based on the initial proposal – a 10-page document consisting of program intentions and drawings – the jury selected 3-4 finalists per site, who then had to develop a comprehensive final offer.

  According to Obligis, one side effect to this improvement is that sometimes it leaves the jurors with insufficient information to properly assess the

proposals, especially when the jury has to choose between 10-15 similar projects submitted for the same site.

- **Formalisation of the project promoters' commitments has considerably evolved.**

- **Remuneration requirement.** In RP1, the project promoters were not required to remunerate the work of the architects, engineering consultants and other specialists who participated in the concept development. The remuneration requirement has been introduced in subsequent competitions, such as IMGP and RP-2.

- **Communication with local residents** is still to be improved. Citizens should be better informed about the projects, although the competition's confidentiality requirement makes this a tricky task (explains Waller). For RP-2, the city has organised public consultations during the initial phase. The residents are informed on the call for projects' objectives, procedure and calendar, but no project presentation is possible at this stage. They are also encouraged to submit their own ideas that will be shared with the candidates, who can eventually decide to cooperate with the authors of these ideas.

  Winners will be able to present their projects at a public meeting.

- "Teams shortlisted for IMGP are allowed to apply for financial grants from the State funded Investments for the Future Program. This encourages start-ups to compete even if they lack a strong financial capacity." (CLC)

→ **Why "Reinventing" is not a silver bullet:**

- This model is **efficient for smaller plots, but not for large ones** (like some of the plots proposed at IMGP-1), emphasises Waller. "When you switch from selling a plot at an auction to selling it to the best project, it's one thing, but outsourcing to private developers the huge plots that should have been used for public development projects is a totally different story".

Moreover, a large-scale plot requires a lengthy, thorough research and concept development process. The schedule of "Reinventing" competitions does not provide enough time for that. "They can make a proposal, but fail to fully implement it – so, for some very large sites, the results will necessarily be disappointing. Or the team may not be able to keep their commitment regarding public spaces, and this will have to be renegotiated, so that in the end the city won't get what it expected." (Waller)

- **It is not going to work without an active engagement of the municipality**, starting from the earliest stages of the process. Waller cites "Reinventing the Seine" – in which Paris participated together with Rouen and Le Havre – as a striking example, because the two cities had a completely different attitude. While Le Havre's officials were extremely proactive in reaching out and persuading potential candidates, their colleagues in Rouen were passively waiting for things to happen. "In the end, Le Havre has shown strong projects that are going to be built, while in Rouen most of the sites received zero response."

  "Some people say that RP represents the disengagement of the public authority. That's absolutely not the case," insists Waller. "With RP, our involvement in the project became much stronger; we were much more demanding compared to the situations where we had simply auctioned the land off. RP has increased our influence on the private sector. On the other hand, if we are talking about extra-large plots where urban planning is being outsourced to the private sector, this does disengage the public authority."

- **Long-term success highly depends on the human factor.**

  The "Reinventing" model requires the municipalities to remain constantly vigilant that the awarded projects are beneficial for the city and not only for the developers; that they 'give back' to the city; that they are truly innovative and grounded in the context; that the promise is maintained in the built project… All of this demands a lot of good will, engagement, knowledge, culture, and of course a strong ethical stance on behalf of the City. (Private conversation with an architect, one of RP-1 winners)

- **Risk of increased segregation depending on the attractiveness of an area's real estate.**

  "All these projects are led by private promoters who finance the innovations and related research. These are serious investments that will be more efficient if the real estate is attractive, and less efficient with less attractive lots. This may further segregate the territories where the real estate market hardly exists, which means that such calls for projects won't be possible in these areas." (Hébert)

- **Rigid regulations hinder urban innovation.**

  There are limits to the innovation that these calls for project can turn into reality. "Their aim is to propose realistic, practical projects that would comply with local planning regulations (PLU). This has raised debate on whether innovation is even possible within the current urban regulations or are they too restrictive." (Hébert)

  "In France today, there is a collective realization that we need to accelerate processes and simplify the laws of urban planning." (Missika at NewCities)

  Ledoux points out some of the regulations that need to be loosened in order to facilitate innovation. "That's especially true for **housing**, which is the most regulated of all real estate products in France. You have the building code, public health regulations, urban planning code… As all restrictions and standards cumulate, you realise how hard it is to revolutionise housing. Through these competitions it became very clear that, as soon as anyone came up with a really innovative housing proposal, this proposal clashed with existing legislation."

  "We have faced similar difficulties in **financing and structuring the projects**, especially when it came to crowdfunding and alternative ways of sharing financial risks. Again, many innovative proposals clashed with existing legislation. Thus, in real estate projects, crowdfunding is limited to 1 million euros." (Ledoux)

- **The risk of multiplying clichéd, 'trendy' solutions.** "Take, for instance, urban farming. Now we have it in every project, it has become almost a standard – while in fact there is a lot of different economic models, different uses and goals. There is a risk of turning this into a trend so that everyone would just want to tick this box and we'll end up with a bunch of stereotyped solutions. That's the main pitfall we have to avoid." (Ledoux)