



Public-Private Partnerships in Urban Regeneration Projects: Identifying local actors from a systematic literature review

Paula Vale de Paula¹, Rui Cunha Marques², Jorge Manuel Gonçalves³

¹ CITUA, Instituto Superior Técnico, University of Lisbon,
paulavaledepaula@tecnico.ulisboa.pt

² CERIS, Instituto Superior Técnico, University of Lisbon,
rui.marques@tecnico.ulisboa.pt

³ CITUA, Instituto Superior Técnico, University of Lisbon,
jorgemgoncalves@tecnico.ulisboa.pt

Abstract. Public-Private Partnerships in Urban Regeneration Projects present, from a social point of view, a wide range of actors involved. Despite the great importance of all the actors involved in PPP processes in urban regeneration projects, there is a strong role for local actors. The strong presence of local actors in PPP processes in urban regeneration can be understood in the context of the concept of local governance. In this sense, this study addresses the idea of local governance in PPP processes in urban regeneration, seeking to identify the different actors involved and the main obstacles faced by these actors. To this end, the study starts with a broad review of the literature on Public-Private Partnerships in Urban Regeneration Projects. The results make it possible to identify the main actors involved - local community and residents, local authorities, non-profit organizations, specific agencies, and companies - and the main obstacles related to these actors - conflicts of interest, accountability, gentrification processes, and social processes of exclusion. From the identification of the actors and obstacles, it is hoped that the study can contribute to scientific production and the discussion on the subject.

Keywords: urban regeneration projects, public-private partnerships, governance, local actors

1 Introduction

Urban regeneration practices make up current urban development and are often carried out through public-private partnerships. These practices have several characteristics resulting from their unique nature in urban, social, economic, and environmental terms.

© The Author(s) 2024

G. Canto Moniz et al. (eds.), *Proceedings of the International Conference on Nature for an Inclusive and Innovative Urban Regeneration (NATiURB 2022)*, Atlantis Highlights in Social Sciences, Education and Humanities 24,
https://doi.org/10.2991/978-94-6463-469-3_28

From the social point of view, one of the main characteristics is the wide range of stakeholders involved. These stakeholders can be of a public or private nature, organized in groups or acting individually, and belong to different hierarchical levels of power.

Despite the great importance of all stakeholders involved in PPP processes in urban regeneration projects, the strong role of local actors is observed, especially regarding the public sector, i.e., local public authorities, and the local community and citizens. The strong presence of local actors in PPP processes in urban regeneration can be understood within the concept of local governance.

In this sense, the present study approaches the idea of local governance in PPP processes in urban regeneration, trying to analyze the different roles of local actors and the obstacles faced by these actors.

Attending to the proposed objective, the study also intends to answer some research questions:

- Who are the main players involved in Public-Private Partnerships in Urban Regeneration Projects?
- What conflicts and obstacles can be observed between the different actors in the practices of Public-Private Partnerships in Urban Regeneration Projects?

In addition to this concise introduction, the study includes a dedicated section outlining the research methodology. There is also a specific section addressing the topic of governance, focusing on identifying the actors and types of conflicts. The study concludes with a final section summarizing the conducted research.

2 Research Methodology

The study started from a broader literature review on Public-Private Partnerships in Urban Regeneration Projects [1], developed in three stages: search for papers, exclusion and selection of papers, and the analysis of papers (Table 01).

The search for papers is based on the information contained in titles, abstracts, and keywords. A total of six searches were carried out on the Scopus search mechanism, using different keywords. The searches were also limited to scientific articles in English, covering articles from all geographical locations.

The selection, in turn, excludes duplicate papers, nonrelevant papers, and papers not available online. The selection process excluded 82 duplicate articles, 41 articles not relevant to the study and 41 not available online. The final result was 122 articles.

Finally, the analysis was developed through a systematic quantitative review, a semantic analysis, and a narrative analysis. The quantitative systematic review characterized

the sample studied, while the semantic analysis identified the main topics studied using word clouds and concept maps. The main topics were covered in more detail in the narrative analysis. The topics are: projects, governance, economic and financial issues, management issues, and contracts. Starting from the identified topics, the present study focused only on the governance topic, present in 73 papers of the main sample.

Table 1. Research Methodology.

Literature Review on PPPs in Urban Regeneration Projects	Phase 1 – Search for Papers	Papers Search: Title / Abstract / Keywords Approach: Scopus - six distinct searches PPPs + urban rehabilitation (4 papers) PPPs + urban regeneration (100 papers) PPPs + urban requalification (1 paper) PPPs + urban recycling (16 papers) PPPs + urban renewal (84 papers) PPPs + urban redevelopment (81 papers) (Result: 286 papers)
	Phase 2 – Exclusion and Selection of Papers	Elimination Process: Duplicated hits (82 papers duplicate) Approach: Visual Examination (Result: 204 papers) Elimination Process: Non-relevant papers (41 papers irrelevant) Approach: Visual Examination (Result: 163 papers) Elimination Process: Non-available papers (41 papers non-available) Approach: Visual Examination (Result: 122 papers)
	Phase 3 – Analysis of Papers	Systematic quantitative review: Elaboration of results regarding the distribution of publications by time; the geographical distribution of the studies; the numbers of publications by journals, authors, and institutions; and the distribution by methodologies used. Semantic analysis:

Elaboration of a word cloud based on the keywords; and elaboration of a concept map from the analysis of the titles and abstracts.

Narrative analysis:

Narrative analysis developed considered the main topics identified in the previous analyses:

Policy, Projects, Governance, Financial and Economic issues, Management and Contractual issues.

Analysis of Governance Topic	Starting from the main topics analyzed, only the governance topic will be analyzed (present in 73 papers).
------------------------------	--

The 73 selected papers were analyzed. Regarding the actors involved, the literature identifies five main groups of actors: local communities and residents (mentioned in 28 articles), local authorities (mentioned in 21 articles), specific new agencies (mentioned in 6 articles), non-profit organizations (mentioned in 3 articles), and companies (mentioned in 10 articles).

Regarding the conflicts observed, the literature identifies four types of conflict: conflicts of interest (mentioned in 5 articles), accountability (mentioned in 2 articles), gentrification processes (mentioned in 11 articles), and social exclusion processes (mentioned in 5 articles).

The results will be presented in the following session.

3 Governance in PPPs in Urban Regeneration projects: actors and conflicts

PPPs in urban regeneration projects include several actors; consequently, several conflicts and obstacles can be observed. Concerning the actors, as previously mentioned, the literature allows identifying the main groups of actors: local communities and residents, local authorities, specific new agencies, non-profit organizations, and companies.

The local community and residents are the first group of actors identified. The local community and residents are the group of actors most affected by urban regeneration projects, either from a possible or negative point of view. As the group most affected from a negative point of view, the local community can act as resistance to certain projects [2], including organizing into groups and developing their local activism. To

avoid negative consequences for the local community and possible conflicts, this group of actors must be included and heard in any urban regeneration policy, program, or project that affects them, aiming to understand their demands.

The second group of actors identified in PPPs in urban regeneration projects are local authorities. Local authorities, as well as the local community, play a central role in PPP processes for urban regeneration. The role of local authorities is inserted in the logic of Local Governance [3][4], being they are the main responsible for governance in these processes. It is the responsibility of local authorities to implement different policies, programs, and projects for urban regeneration. In recent decades, the role and power of local authorities have been changing, integrating new competencies into their relationship with the local community and the decision-making processes [5]. In this context, it is also the role of local authorities to manage the relationships between the private sector and the community [6]. Considering the key role of local authorities, the success of a partnership is strongly related to the organizational capacity and organizational effectiveness of these authorities [7].

The third group identified is specific agencies. Also inserted in the logic of local governance, specific agencies are public-private entities created specifically to implement and manage urban regeneration projects, aiming for increased effectiveness [8]. These agencies are created and operate independently from political powers and oversight, which allows them more autonomy [9]. In this sense, the importance of the management capacity of these agencies for the functioning of the partnership is highlighted.

Non-profit organizations are the fourth group of actors identified. Non-profit organizations are considered a group of actors involved in PPPs in urban regeneration projects as they perform functions for local communities, especially for low-income populations [10]. It is noteworthy that, in the face of neoliberal contexts, these organizations have increasingly acted in an entrepreneurial manner, abandoning a passive posture for their operationalization [11].

Finally, companies represent the fifth and last group of actors identified. The private sector and companies play a central role in PPP processes for urban regeneration projects. In the face of neoliberal scenarios, the private sector has come to play a strong role in urban planning, even taking over traditionally public functions. The strong role of the private sector in urban planning is associated with the concept of Urban Entrepreneurship [12]. In this sense, the real estate development and construction companies stand out. In the case of PPPs, the use of corporate capital and foreign capital also stands out [13]. Regarding the concept of governance, the strong role of the private sector gives rise to the concept of Entrepreneurial Governance [14] [15].

Regarding conflicts and obstacles, as previously mentioned, the literature review conducted the identification of four types of problems: conflicts of interest, accountability, gentrification processes, and social exclusion processes.

The first obstacle identified refers to conflicts of interest. As a process involving several actors, it is natural that there are conflicts of interest in PPPs for urban regeneration projects. This is because each group of actors has its positions and interests that are often in conflict with other actors [16]. In this sense, it is necessary to manage the interests of the actors involved: on the one hand, public and community interests must be considered; on the other hand, private interests must be also guaranteed, so that the partnership is viable. To be able to manage the different interests, it is fundamental that the groups involved are included in the decision-making processes so that the partnership and the urban regeneration project serve as many beneficiaries as possible. In this sense, more open collaboration and negotiation between project developers and local actors are suggested [17].

Accountability is the second type of obstacle observed in PPP processes in urban regeneration projects. Accountability is an obstacle naturally present in public-private partnerships and refers to the obligation of agencies and entities to account for their actions. In the case of PPPs, because of the joint action, accountability tends to be more complex and less direct, i.e., less obvious [18].

The third type of obstacle observed refers to gentrification processes. Gentrification refers to the expulsion of socioeconomically vulnerable residents as a result of rising property values and rents [19]. Gentrification processes are a frequent consequence of urban regeneration projects, especially when these projects are carried out in an unbalanced way by the private sector, aiming mainly at economic development and profit-making [10]. In this sense, it is interesting the association made by Hodgkinson [20] who analyzes PPP through the lenses of "strong theory" and "weak theory": while in the strong theory, PPP looks like a "neo-liberal straitjacket" aimed at gentrification and guaranteeing profits for finance capital; in the weak theory the role of local actors, their quotidian activism and their ability to contest neoliberalism is reinforced. Norris and Hearne [2] also emphasize the role of local actors and residents in resistance to gentrification processes. Finally, we also describe the idea of gentrification associated with touristification [21], which includes the over-dependence on tourism and the loss of identity as the local community is displaced to accommodate tourists. Another similar process is gentrification associated with regeneration by culture, with the replacement of the local community by new residents with a specific lifestyle.

Finally, social exclusion processes are the fourth type of obstacle observed. Urban regeneration processes can lead to new social inequalities or an increase in existing inequalities, leading to new exclusion processes. In this sense, exclusions of specific groups, such as people with disabilities, can be observed [22].

4 Conclusions

The present study aimed to approach local governance in the processes of Public-Private Partnerships in Urban Regeneration Projects, identifying the main actors and their roles, as well as the conflicts and obstacles present in these processes. To this end, the study started from a broader literature review on Public-Private Partnerships in Urban Regeneration Projects, selecting and analyzing the studies that identify different actors.

The analysis of the selected articles allowed the identification of the main actors involved in PPPs in urban regeneration projects and the main obstacles related to these actors. Concerning the actors, five main groups were identified: the local community and residents, local authorities, non-profit organizations, specific agencies, and companies. Among the actors identified, local authorities and the community are the actor groups most involved in the Local Governance of these practices and projects.

Local authorities are responsible for Local Governance in PPPs for urban regeneration since it is responsible for implementing policies, programs, and projects related to urban regeneration. The local community and residents, in turn, are the group most affected by these practices and projects, either receiving the benefits obtained or suffering from the negative impacts.

Regarding the obstacles, it was possible to identify four problems related to PPPs and the urban regeneration projects resulting from them: conflicts of interest, accountability, gentrification, and social exclusion. Among the obstacles observed, the gentrification processes associated with urban regeneration stand out. Gentrification processes refer to the expulsion of residents and their replacement by new social groups with different lifestyles. As seen, gentrification can be associated with touristification and processes of regeneration by culture.

In the context of local governance, it is the responsibility of local authorities to manage the different conflicts and stakeholders, trying to mitigate problems and avoid gentrification processes. The local community and residents also play an important role in combating gentrification processes and can act as resistance through their local activism.

From the identification of the different actors and conflicts, the study provides an overview of PPP governance in urban regeneration projects, with a focus on local governance. Despite attending to the proposed objective, the study presents some limitations. Regarding the utilized methodology, the study started from a literature review conducted in only one search engine and specific documents - scientific articles and in English. Thus, the analyzed sample is a limitation.

Another limitation refers to the identified actors. The actors identified in the study represent the main actors in these practices but do not include all the actors that can be

identified. Certainly, the practices of PPPs in urban regeneration projects present specificities from case to case and the actors involved may vary.

However, despite the observed limitations, it is expected that the study has identified the main actors and conflicts and that this identification can contribute to scientific production and discussion on the theme.

References

- [1] de Paula, P. V., Marques, R. C., Gonçalves, J. M.: Public–Private Partnerships in Urban Regeneration Projects: A Review. *Journal of Urban Planning and Development*, 149(1), 04022056 (2023).
- [2] Norris, M., Hearne, R.: Privatizing public housing redevelopment: Grassroots resistance, co-operation and devastation in three Dublin neighbourhoods. *Cities*, 57, pp. 40-46 (2016).
- [3] Fanelli, S., Lanza, G.: A local authority governance model: the case of Parma and ‘MasterTown’. *International Review of Public Administration*, 22 (1), pp. 1-13 (2017).
- [4] Guarneros-Meza, V.: Local governance in Mexico: The cases of two historic-centre partnerships. *Urban Studies*, 45 (5-6), pp. 1011-1035. (2008).
- [5] Fernandes, J. A. R.: Area-based initiatives and urban dynamics. The case of the Porto city centre. In *Urban Challenges in Spain and Portugal* (pp. 59-81), Routledge (2016).
- [6] Jones, M.T.: Framing regeneration: Embracing the inhabitants. *Urban Studies*, 56 (9), pp. 1901-1917 (2019).
- [7] Bailey, N.: Changing institutional responses to the regeneration of peripheral industrial locations in London: an evaluation of partnership and local capacity building. *Planning Practice and Research*, 12 (3), pp. 263-276 (1997).
- [8] Kort, M., Klijn, E.-H.: Public-private partnerships in urban regeneration projects: Organizational form or managerial capacity?. *Public Administration Review*, 71 (4), pp. 618-626 (2011).
- [9] Kort, M., & Klijn, E. H.: Public–private partnerships in urban regeneration: Democratic legitimacy and its relation with performance and trust. *Local Government Studies*, 39(1), 89-106 (2013).
- [10] Fraser, J.C., Kick, E.L.: Governing urban restructuring with city-building nonprofits. *Environment and Planning A*, 46 (6), pp. 1445-1461 (2014).
- [11] Johnson Ashley, A.: Negotiating risk in property-based arts economic development: Exploring the innovative but untimely development partnership between the Seattle Art Museum and Washington Mutual. *Cities*, 37, pp. 92-103 (2014).
- [12] Kefford, A.: Actually existing managerialism: Planning, politics and property development in post-1945 Britain. *Urban Studies*, 58 (12), pp. 2441-2455 (2021).
- [13] Yang, Y.-R., Chang, C.-H.: An urban regeneration regime in China: A case study of urban redevelopment in Shanghai's Taipingqiao Area. *Urban Studies*, 44 (9), pp. 1809-1826 (2007).
- [14] Li, J., Liu, X., Liu, J., Li, W.: City profile: Taipei. *Cities*, 55, pp. 1-8 (2016).
- [15] van den Hurk, M., Tasan-Kok, T.: Contractual arrangements and entrepreneurial governance: Flexibility and leeway in urban regeneration projects. *Urban Studies*, 57 (16), pp. 3217-3235 (2020).

- [16] Lee, J.-W., Sung, J.-S.: Conflicts of interest and change in original intent: A case study of vacant and abandoned homes repurposed as community gardens in a Shrinking City, Daegu, South Korea. *Sustainability (Switzerland)*, 9 (11), art. no. 2140 (2017).
- [17] Guinand, S.: Re-arranging public-private partnerships: The case of South Street Seaport New York. *Journal of Urban Affairs*, 43 (2), pp. 345-361 (2021).
- [18] Farhat, R.: Accountability in urban regeneration partnerships: A role for design centers. *Cities*, 72, pp. 8-16 (2018).
- [19] Valli, C., Hammami, F.: Introducing Business Improvement Districts (BIDs) in Sweden: A social justice appraisal. *European Urban and Regional Studies*, 28 (2), pp. 155-172 (2021).
- [20] Hodkinson, S.: Housing Regeneration and the Private Finance Initiative in England: Unstitching the Neoliberal Urban Straitjacket. *Antipode*, 43 (2), pp. 358-383 (2011).
- [21] Barata-Salgueiro, T., Guimarães, P.: Public policy for sustainability and retail resilience in Lisbon city center. *Sustainability (Switzerland)*, 12 (22), art. no. 9433, pp. 1-22 (2020).
- [22] Edwards, C.: Inclusion in regeneration: A place for disabled people?. *Urban Studies*, 38 (2), pp. 267-286 (2001).

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

