

Rise of the Non Governmental Activities in Japan

- History of Japan's "BIDs"
- What is a TMO?
- Where do TMOs work?
- Who compose of TMOs?
- Roles of TMOs
- Activities by TMOs
- Projection of Financing TMOs' Activities
- SHIODOME, the "First BID"
- History of Shiodome area
- What is the Shiodome BID like?
- Closing Remarks

History

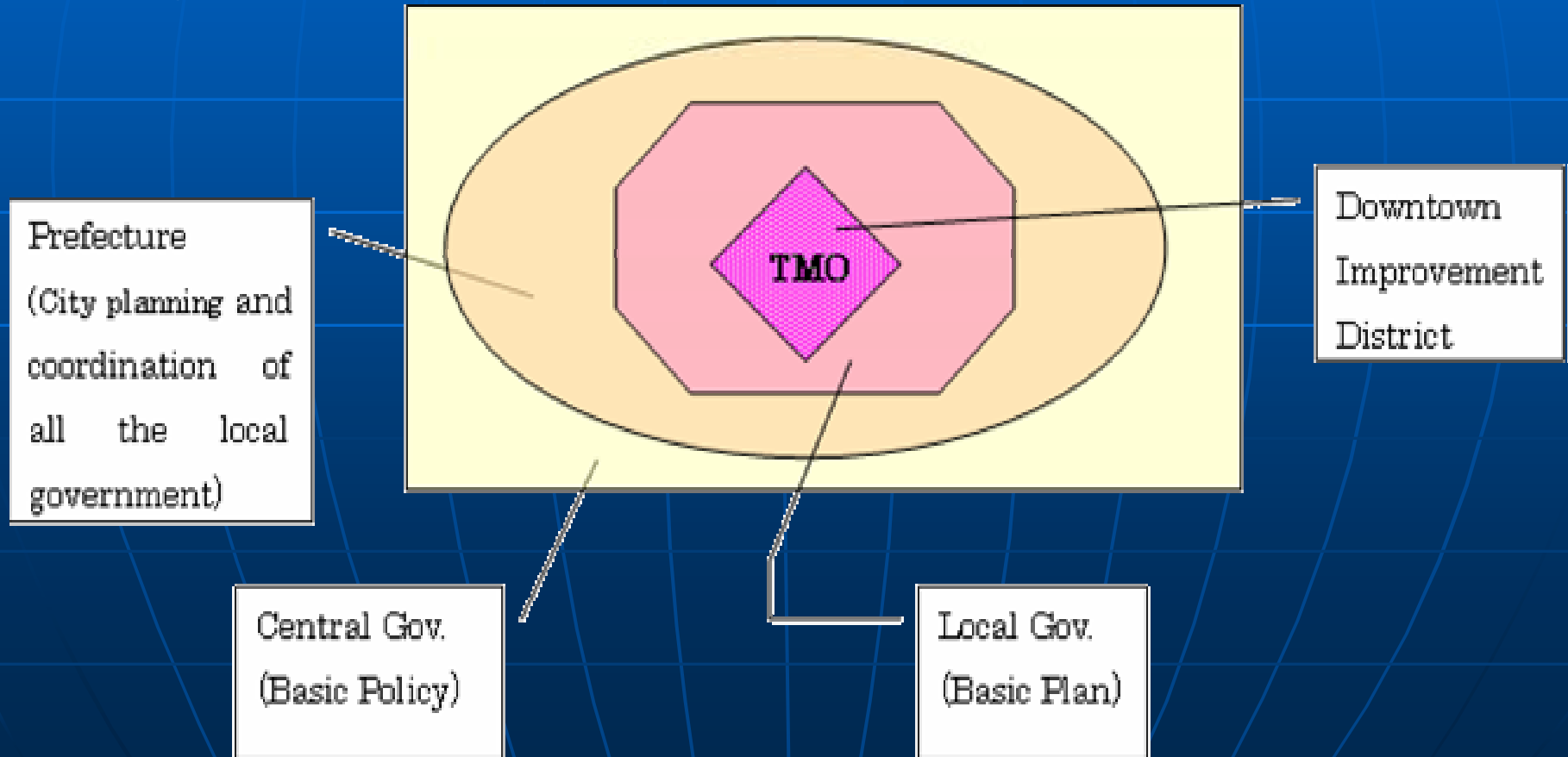
- During the high economic growth
 - Many immigrants from rural area toward inside the urban area and expansion of sprawling
 - Decrease in the young workforce in rural areas and over density in large metropolitan areas
- Changes in social and economic situations
 - Decrease in regional migration
 - Increase in the growth gap between large cities and small / meddle size cities.
 - Deterioration of the downtown areas.
 - More willingness from the public to be involved in the community development
- Necessity of new urban policies
 - From urbanization to urban reconstruction

What is TMO? (1)

- Based on the Act of Revitalizing Downtown Improvement District (1999)

What is TMO? (2)

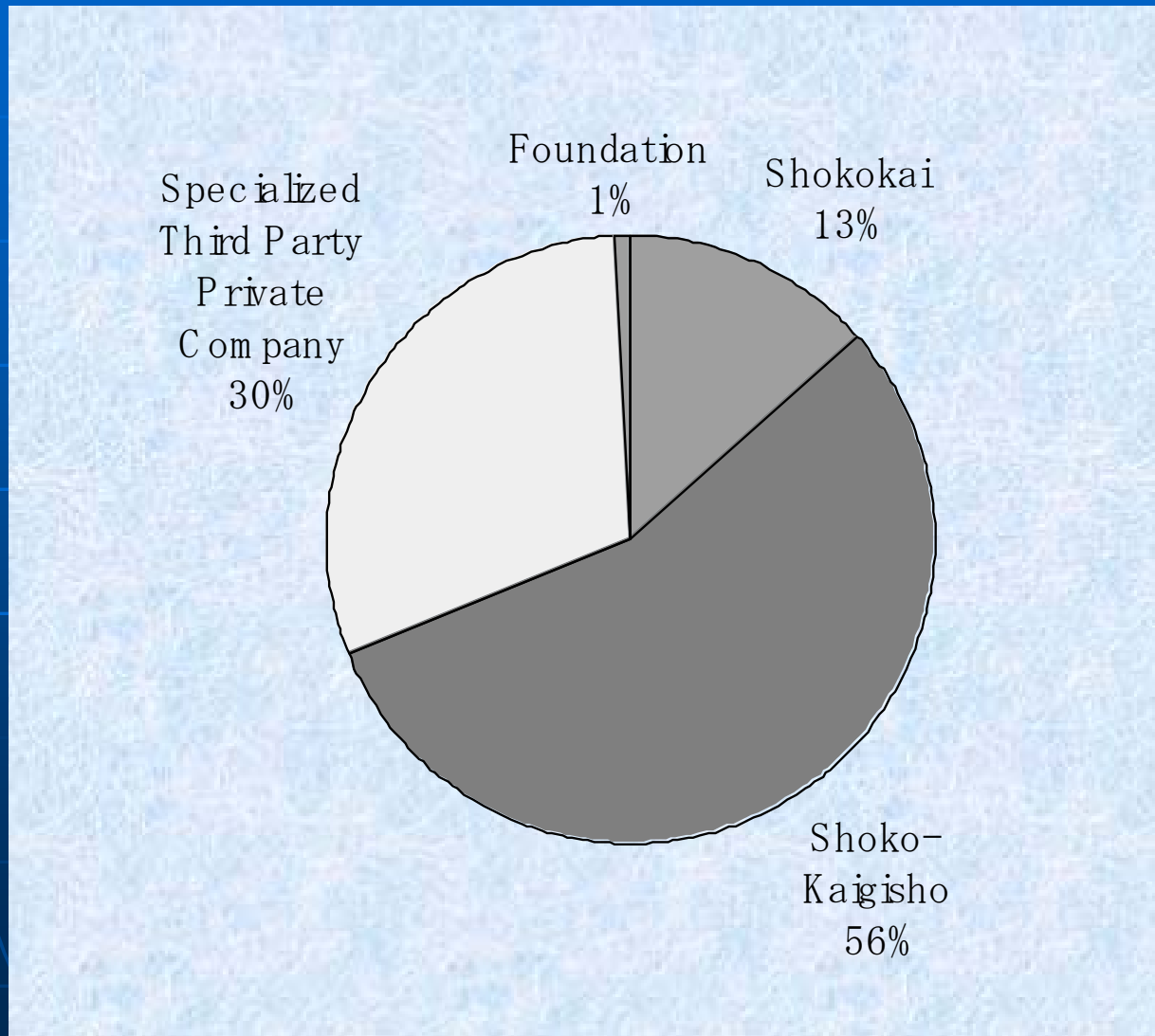
- Learned from TCM and BID
- 262 TMOs have been established all over Japan
- More than half of DIDs range between 10-20 million square feet
- Average area of DIDs is about 15 million square feet



Organizations which can become TMOs

- Shokokai: Board of Trade, Chamber of Commerce (Mainly in towns and villages)
- Shoko-Kaigisho: Board of Trade, Chamber of Commerce (Mainly in Cities)
- Specialized Third Party Private Company: Joint stock company capitalized by medium/small companies, with more than 3% shared by local government
- Foundation: with more than 3% invested by local government

TMOs seen by categories



Roles of TMOs

TYPE 1

TMO as a project planner and coordinator



TYPE 2

TMO as a project planner, coordinator, and servicer

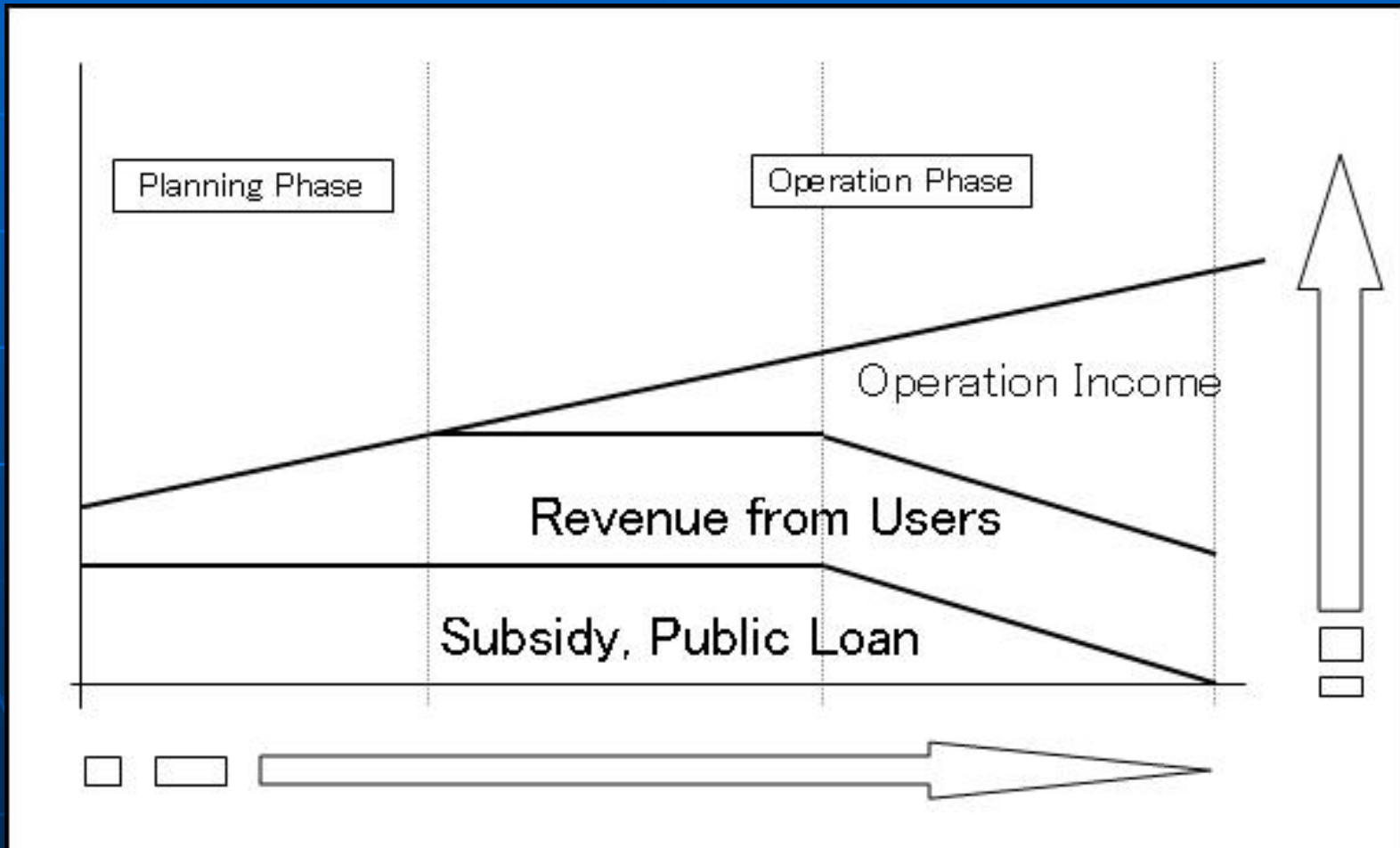


Activities by TMOs (1)

- Distributing the information about vacant retail spaces and coordinating new tenants.
- Promotion of SOHO (Small Office Home Office)
- Introducing management advisors
- Constructing shopping centers
- Creating a public space

Projection of Financing TMOs' activities

- Based on the beneficiary payment principle.



SHIODOME, the “First BID”

- Located at the center of Tokyo
- An important traffic junction connecting the urban center and the waterfront.
- The land readjustment project has been going on.



Property owners are eagerly involved in discussing the concrete future metropolitan image.

History

- The first railroad station was constructed in 1872.
- Formation of the lively urban area surrounding the station.
- The opening of Tokyo station in 1914. Shiodome station as a freight depot.
- The opening of Tokyo Freight Terminal in 1973 led to the termination of the Shiodome Freight Depot in 1986, along with the privatization of the Japan National Railway.
- The site was redeveloped into a city center and park through the Project period from March 1995 to March 2007, Project expense 146.3 billion yen. (1.2 billion dollars)
- Formation of the Shiodome Area Urban Reconstruction Conference in 1995.

The Shiodome Area Urban Reconstruction Conference

- Formed in December 1995
- Purpose: to promote open dialog and community-oriented urban planning in Shiodome
- Member: All land owners and lease holders in the area, as well as certain local government officials as special members.
- Agreed that they will be manage the area after the operation phase.
- Transformed into a Not-for-Profit Cooperation.

SHIODOME BID

- Former conference has gained “legal personality” by becoming a Not-for-profit Cooperation (12.28.2002)
- Has begun operating since March 2003
- All the business owners have joined the BID as members (No membership of local residents.)
- Subcontracts the management and maintenance of a certain public facilities with Tokyo Metropolitan Government
- Higher quality public facilities than the regular development
- Maintenance cost =
Regular maintenance cost
(from the local gov.) +
Additional maintenance cost
(by the BID)
- Basic agreement about the responsibilities and payment between the BID and the local government

Closing Remarks

- From “Urbanization” to “Urban Reconstruction”
- Limitation of the current legislative system.
- TMO and lack of self-financing tools
- Two kinds of Not-for-profit Companies and lack of Tax credits for BID
- Payment and responsibility agreement with the local government
- Final report from the “Examination Committee of Japanese Version of BID” (To be published.)