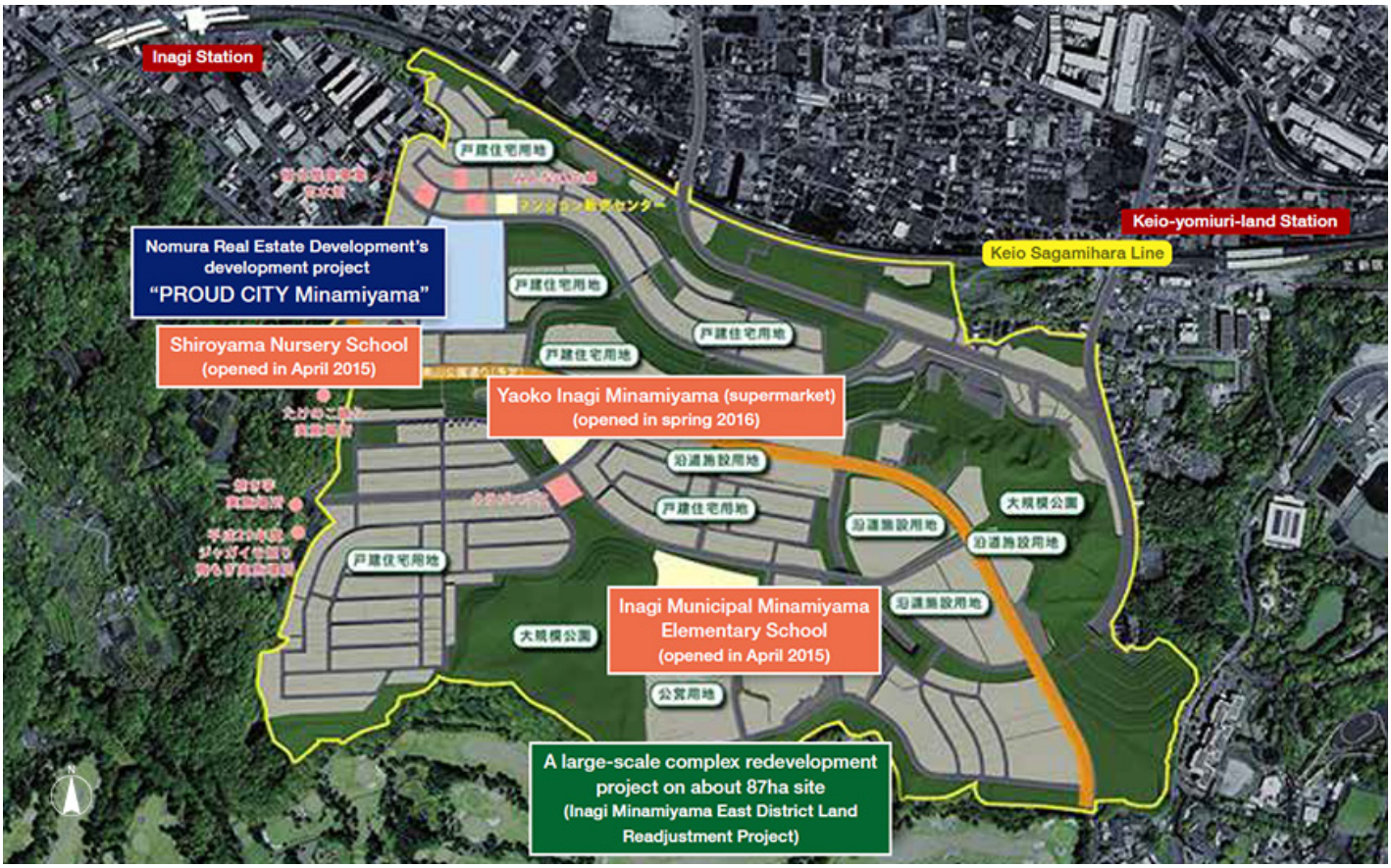
Special Feature: "Town Building for Permanent Value Creation" at the Minamiyama Land Readjustment Project Site

Overview

Nomura Real Estate Development has been working on the development of PROUD CITY Minamiyama condominium (completed in 2016) and PROUD SEASON Inagi Minamiyama detached housing (first phase to be completed in 2019) since 2013 at the land readjustment project site extending over approx. 87ha located in Minamiyama, Inagi City, Tokyo.
For this project, which took more than 10 years to complete, sustainable town building across the entire project site was crucial for the success of project as new residents will move into housing built on vast land areas in a phased manner.



Conceptual image of land use plan

"Local residents are the main player" Making efforts to find leaders who will undertake town building –project start-up phase (2013-2014)—

Nobuaki Azuma
Manager of International Dept., Residential Development Division, Nomura Real Estate Development Co., Ltd. Joined Nomura Real Estate Development in 2003 after working at a graphic industrial design office. He is in charge of promoting condominium projects and penetration of the PROUD brand. He has participated in this project since 2013, and has been in the current post since 2017.

The Minamiyama area in Inagi City retains a beautiful landscape of local forests and commands a sweeping view over the center of Tokyo and the Tama area. The first challenge faced by this project was how to create the town's value without relying on an instrument to attract customers, such as large-scale commercial facilities, in the face of the vast expanse of nature with agricultural land and forests.
Nomura Real Estate Development visited Minamiyama many times before the acquisition of land and listened to the opinions of local residents. "The local people's wishes were clear: They wanted us to respect their ideas and feelings as they know the land inside and out. Considering this, there was no way that the local people would accept company-driven area management. Therefore, we set a basic policy for the project to adequately value the feelings and meet the needs of the local people," Nobuaki Higashi, who was in charge of the project at the time, says reflecting on the start-up phase of the project.
The development of Minamiyama dated back over a long period of time, and Area Management Minamiyama, a local general incorporate association whose main members are the volunteers of landowners and NPO groups, had already been conducting activities with the aim of "proactively conserving and cultivating our towns." Therefore, Nomura Real Estate Development clearly set out the concept that "local residents are the main player" and utilized local resources, such as human resources and ideas, while taking a backseat role including negotiating with the local government.
"It would be easy for our company, with its extensive track record in community support, to plan various community-building events. However, we encouraged the local people to hold events at their own initiative. "
Over the course of supporting such events, we felt the need for new leaders who will support the community for the next 10 years and longer. "We screened human resources who will undertake the role of town building from the viewpoint of whether they are trusted by the local residents and whether they care about the local residents, and we then established the secretariat function. In addition, we employed particularly promising persons as full-time staff at Area Management Minamiyama." Activities for creating new town values have gathered momentum focusing on Area Management Minamiyama, which became a workable organization through the addition of local talents thus discovered.

Area Management Minamiyama

A members-only area management organization that conducts activities in the town of Minamiyama, which is undergoing a transformation, aimed to improve the value of various towns by taking measures, such as the management and administration of green areas, land use consultation services, and facilitating interaction within and outside the area. It is conducting activities with residents, business operators, and concerned organizations in the area with the aim of conserving and cultivating the town and green areas of Minamiyama toward sustainable town building.

Area Management Minamiyama: https://minamiyama.info/

Park development support projects

Agricultural experience projects

Green space development projects

Land use projects

Establishing a system for establishing a self-running organization, such as introducing membership fee system and creating interaction space –the growth phase (2015-2017)—

Nomura Real Estate Development, while advancing the development of PROUD CITY Minamiyama, worked with Area Management Minamiyama to establish a system for making it a self-sustained and self-running organization.

To resolve the issue of securing funds for activities, which is a major challenge for a residential land-type area management organization, the organization introduced a membership fee system whereby the source of revenue will be the fees paid by all households occupying the condominium.

Interaction space created with the local residents. It has been serving as a hub for the community.

“Area Management Minamiyama ventured to introduce a new system of earning membership fees by fulfilling the role of some form of residents’ association. Nomura Real Estate Development assumed the role of developing a financial plan and designed the system through negotiations with the local

government and local resident associations." The scheme was to secure a stable financial resource in the form of membership fee income and allocate business income earned from holding events, etc. to the operating funds of Area Management Minamiyama.

We then worked on developing a hub for community activities. We deliberately built an interaction space outside the condominium inside the park site in the new town. "Normally, an interaction space is created on the first floor of condominium. However, as we felt that the residents of condominiums developed by other developers would feel reluctant to visit the interaction space if it were to be placed inside our condominium, we built it inside the park, completely separated from our condominium." The interaction space was designed and finished by the local residents through workshops held by Area Management Minamiyama, with the cost of construction borne by Nomura Real Estate Development. The interaction space embodies the ideas of residents from various regions and has become a community base for local residents, serving as an important hub for town building.

We also concurrently requested the cooperation of Professor Susumu Kawahara of Tokyo Metropolitan University and established an industry-academia collaboration system. We also concurrently requested the cooperation of Professor Susumu Kawahara of Tokyo Metropolitan University and established an industry-academia collaboration system. "Professor Kawahara expressed reluctance to participate in the project at first, but we were able to win his sympathy for Nomura Real Estate Development's vision of 'town building for permanent value creation' and therefore established the collaboration system." We obtained external evaluation by presenting our town-building activities at a conference of architectural institute, etc. As a result, the local community reaffirmed the value of the area and the town-building activities gathered momentum.

To offer the same quality of living even 10 years later—the self-sustained phase (2018—to present)

The landscape of local forests has started to blend well with the beautiful residential neighborhood. Development of the vast area of the land readjustment project site is progressing, with projects by other developers also underway. Area Management Minamiyama is encouraging all purchasers of PROUD SEASON Inagi Minamiyama housing to become members. It is also calling for purchasers of new housing units provided by other developers to become members. "There are cases in which other developers that agreed with our vision arranged all the purchasers of their housing to become members, or other cases in which condominium associations later requested to join despite rejection by developers. The community has thus started expanding beyond our business."

"PROUD SEASON Inagi Minamiyama" town opening event 72% of the households that purchased PROUD SEASON Inagi Minamiyama housing participated in the event.

Nomura Real Estate Development has stepped aside from the operation of Area Management Minamiyama and is staying in the position of observer. "A mistake that developers are inclined to make when creating an area management organization is joining the organization themselves. But Nomura Real Estate Development had no intention to remain in the organization and made a point of establishing a system that allowed us to step back from the operation of the organization at an early stage. This is because in this project, the development period of which extends over 10 years, community services of constant quality must also be provided to customers in 10 years' time. However, this would be difficult to achieve by a company, for which budgets and persons in charge change over time. In order to provide the same value to customers in 10 years' time,

the important thing is to have an external organization, such as area management organization, operate as a self-sustained, self-running organization."

The biggest factor that led this project to get on track was the fact that "we adequately appreciated the value of the land, including people living there—it comes right down to it." We began to appreciate the value of the land before the start of the project and supported the community, comprising mainly local residents, opening the way for addressing the social issues of "sustainable town building" and "improvement of area value."

Town building is still underway in Minamiyama.

Stakeholder comment

Susumu Kawahara

Professor, Faculty of Urban Environmental Sciences, Tokyo Metropolitan University Graduated with Ph.D. in Engineering with Major in Civil and Environmental Engineering, Department of Civil and Environmental Engineering, Waseda University Assumed his present post in 2016 after serving in positions including Assistant Professor, Department of Architecture, Waseda University. He specializes in urban and regional design and planning, community-based tourism and town planning, tourism destination management and theory and practice.

What is worthy of special mention about the town building in Minamiyama is that we resolved many of the issues residential land-type area management organizations tend to face before new residents move in. In concrete terms, we created the following assets that are important for area management: (1) securing stable funds for activities, (2) cultivating persons who will undertake operations, and (3) establishing a hub to support community activities.

Nomura Real Estate Development interacted with local residents early on with a view to the move-in period of new residents. It supported the development of area management organization behind the scenes by connecting people who have attachment and special feelings for the community. I believe that it was a bold but sound decision to build the interaction space, which is normally established inside a condominium, outside the condominium to serve as a communication hub for the entire development area.

Several years have passed since the opening of town and the development work is still underway. In addition to having new residents become members of Area Management Minamiyama, there are many things that need to be done to develop its activities further. Meanwhile, it has contributed significantly to the unifying force and continuity of the community activities that an organization with the abovementioned assets had already set in place at the time of opening of the town.