



Harmony of the New and the Old: Retaining Traditions for the Present and Future

The Nikkei Business (April 15, 2002 edition) published a ranking of the top 100 cities for growth and decline in the year 2030. The rating was based on the estimated population in 2030 and is a qualification of the vitality of cities. We interviewed Keimi Harada, mayor of Minato City, Tokyo, which ranked 6th among the growth cities. (In this interview, the traditional 23 wards of Tokyo are being referred to as cities. There is a trend among the wards to refer to themselves as such.)

Prior to Assuming the Mayorship

Urban Land Japan: As the first businessman-turned-mayor of Minato City since the introduction of the Public Offices Election Law, many readers are interested in the developments behind your decision. Could you describe the process of your transition from architect to politician?

Harada: My relationship with Minato City began around 20 years ago, when I joined the Minato City Planning Committee, which was founded as a consulting body for Mr. Kawahara, the Minato City mayor at that time. The Committee consisted of distinguished members including Kenzo Tange, who was the chairman. I was in my early thirties at the time and was invited to participate so as to provide the viewpoint of the young members of society. Following three years of meetings and study, the body presented the mayor with a proposal for Minato City planning. Later, I had the pleasure of serving as a member of several committees, including the Minato City Tree and Flower Selection Committee and the Greening Committee. Furthermore, during the tenure of former-mayor Sugaya, who served two consecutive terms, I assumed an advisory role to Mr. Sugaya and also served as chairman of a study group for measures to increase the city's population,

and as a member of various committees for issues such as urban planning and environmental assessment.

ULI: Clearly, although you are now mayor, you have had extensive involvement with Minato City planning. However, your initial participation was from the standpoint of an architect. What led to your decision to become mayor?

Harada: When former mayor Sugaya retired due to illness, the city assembly left the selection of his successor entirely up to him. At that time, one of the conditions he placed on the assembly was to select a candidate from among businessmen rather than politicians or bureaucrats. From here on is only speculation, but Sugaya considered urban planning to be the primary issue facing Minato City, which was in the midst of urban development at the time. Consequently, he probably thought that I was a suitable candidate since I am a specialist in that field.

ULI: Obviously, former mayor Sugaya had confidence in your urban planning skills and felt that Minato City needed to be left to you. However, did you personally experience any resistance or doubts toward becoming a politician?

Harada: Regarding resistance, this is also just speculation, but I think my age had a lot to do with my appointment. I am extremely glad that former mayor Sugawara recovered from his illness, but the past three Minato City mayors have either retired due to illness or passed away while serving as mayors. The work of a mayor is extremely demanding. Thus, I believe there was a leaning toward selecting a member from the younger generation and that this was another factor that aided my selection. Since I had never been involved in the world of politics, obviously I had some doubts. Nevertheless, I decided to run in the election because I thought that, perhaps, a fresh perspective was being sought at the time.

Considerable Foreign Presence in Minato City

ULI: Compared to other cities in Japan, Minato City is home to a large number of foreign residents and firms. What are the exact numbers?

Harada: Currently, 16,000 of Minato City's population of 163,000 are foreigners. They come from between 110 to 120

different nations, and Americans make up the largest proportion. This means that approximately 10% of the city's population consists of people from overseas. In 1999, the national government conducted research to determine the number of companies in the nation. According to those statistics, there are 20,795 joint stock companies ranging from small one-person establishments to large corporations in Minato City, of which 303 are foreign-owned firms.

ULI: The numbers clearly validate why Minato City is considered to be one of the most international cities in the greater Tokyo region, but why is it that so many foreigners and foreign companies have taken up residence here?

Harada: One obvious reason is that there are 65 embassies located in Minato City. There is convenience and reassurance in being in close proximity to your nation's embassy. As to the reason why there are so many embassies, you need to go back to the Edo Period (1603-1868). The U.S.-Japan Amity Treaty was signed upon Commodore Perry's second visit to Japan in 1854, and in an effort to open up Japan and establish trade, other nations followed the U.S. and concluded treaties with the Shogunate in Edo. Consequently, there was obviously a need to establish legations, so

numerous temples and daimyo residences existing in Minato City at the time were converted to serve as temporary legations. The daimyo system was abolished with the transition into the Meiji Period (1868), and large residences with splendid gardens were bought by the various nations to be used as embassies. This is the root of there being a great concentration of embassies in Minato City, and this led to foreign companies establishing branches nearby. Consequently, employees choose to reside in Minato City as it is close to work. This is the mechanism behind the growth in the foreign population of Minato City.

Foreign Resident and Company Involvement

ULI: What kind of an organization is the Urban Planning Committee, mentioned earlier? Also, is there any representation of the foreign community, which comprises a large proportion of the population, on this Committee?

Harada: The Urban Planning Committee is a group that discusses various topics concerning urban and town development in Minato City, consisting of approximately 20 specialists from various fields who participate in discussions. Unfortunately, at present, there are no foreign participants due to language barriers and differences in systems. However, in the future, I would like to have the opportunity to listen to the opinions of foreign companies and residents concerning related matters. Previously, there has been some involvement from the foreign community as an employee of a British company did help us prepare the basic plan for the city (an administrative guide for the next 10 to 15 years, which local governments are legally required to make).

Harmonizing the New and the Old

ULI: The theme of this particular issue of the magazine is "City Renewal," which is also an ongoing theme for Minato City. What are your thoughts on the merging of the new with the old within urban redevelopment and activation? Your comments need not be limited to that of Minato City, but can also be of a general position.



Harada: As I mentioned earlier, in the Edo Period there were many daimyo residents and temples in Minato City. Even today, it probably boasts the largest number of shrines and temples within the 23 cities of Tokyo. Many people have resided here for generations, making Minato City a place blessed with old traditions, both from a scenic and a community perspective. Needless to say, it is important to retain these traditions, but at the same time it is a vital role of the administration to breathe new life into cities for the people living in the present-day 21st century. Thus, as you say, harmonizing the new and the old is a major key to the development of Minato City.

ULI: Is the combining of the new and the old actually taking place?

Harada: Yes. A representative example would be Atago Green Hills. Combining traditional scenery—such as the Seishoji Temple, Atago Shrine, and Gyoen—with two present-day towers has created a striking new landscape. We have used the strengths of both new and old, whereby a temple is now seen amid two modern skyscrapers. The reforming of a historic stonewall to preserve it also points to one form of redevelopment. Another example is the Roppongi Hills Project, presently home to office buildings, residents, a broadcasting center and studios. Previously, the area was an old Mori villa from which the image of a beautiful pond was maintained while overall development took place. Among current projects, Shiodome also serves as a good example. Shiodome is where the first railway station in Japan, the old Shimbashi station, was built during the Meiji Period. The government is earnestly approaching this project with great consideration for taking advantage of its historical background in the redevelopment, such as the re-creation of the old Shimbashi Station. There are even architects from the West taking part in this big project that covers 31 hectares of land.

Incentives in Urban Development

ULI: Are there any incentives for development, for example, in the imposition of taxes and with regards to collaboration?

Harada: This is a generalization and thus not limited in application to Minato City, but favorable treatment is given that allows greater cubic capacity in development. Thus, in situations when, due to the construction code, a building cannot normally be constructed, there is to some extent preferential treatment provided and extra floor area for development allowed. Further-

more, in exchange for incorporating roads, open spaces, and parks into development plans, and establishing water storage tanks (tanks for pooling rain located in the basement of buildings), the Japanese government, the Tokyo Prefecture, and Minato City together provide subsidies to either the development association or project owner. The amount of money differs according to each case, but on average it is about 10% of the total development project. These are examples of preferential treatment measures.

Minato City's Efforts for Population Growth

ULI: People who dispersed to the countryside during the economic bubble period are gradually returning to the city center, and local governments are studying measures to achieve population growth. What measures are being conducted by Minato City?

Harada: The major measure being utilized is the provision of the so-called "Settlement Promotion Fund." This fund will, for example, request that a certain number of houses be built in the city when a company wishes to construct an office building within the city, or the city may invoice the company in exchange for conducting the construction. The city does not want companies to use up 50,000 to 100,000 square meters of its valuable land to just build buildings. It is important to increase the population of those who live in the city and thus balance the daytime and nighttime population. Thus, these types of measures are taken to promote settlement.

ULI: Is this a legal obligation for those constructing office buildings?

Harada: No. This is not a law, but rather a request made to the business owner. Japan, unlike contract-oriented societies of the West, has a culture where unspoken agreements are accepted. Instead of forcing regulations through the application of penalties, we would like to take the approach of a request made from the administration to the companies involved. Consequently, the developers accept, feeling that they should cooperate with the city.

ULI: Does the city manage this fund and has it been successful?

Harada: Yes, the city manages the fund. In addition, this policy has greatly contributed to an increase in floor space and the number of residences in Minato City. However, recently, we have received various requests for deregulation by people in the real estate business to review this settlement promotion fund as

it imposes a heavy burden upon them. The city fully recognizes the present trends of deregulation, but it is still necessary for Minato City to continue carrying out measures toward increasing the residential population and preventing decreases in residents. Under these circumstances, we sincerely hope that such companies will understand this point.

Advantages of Living in the City Center

ULI: In my case, the use of the splendid cultural facilities in Minato City involves a two-hour, round-trip from Tachikawa. Thus, taking advantage of Minato City life involves risk, and this is, I suspect, where the reality of the city's imbalance exists. Do you agree?

Harada: You are right. Presently, about one million people work within Minato City. They can take advantage of the city at night, listening to, say, the Vienna Concert and dining with friends at a nice restaurant. But these activities always involve the risk of not having enough time to return home. The risk becomes greater the further away one resides from Minato City, such as Tachikawa, Kanagawa, or Saitama, and leisure time becomes increasingly limited, thus also creating a limit on the fun that can be had. In addition, having a large number of residents is an absolute requirement for the functioning of a local government, and this decreasing population is a problem not only of Minato City, but of the whole of Tokyo. I myself have observed and am keenly aware of the serious problems posed by residents moving out of the city centers of New York and European cities. Thus, my desire is to diligently continue to strive to increase the population of downtown Tokyo.

ULI: Generally speaking, what other advantages are there to living in downtown Tokyo?

Harada: Home parties, which are often held in Western countries and range in style from the casual gathering with friends to formal dinner parties where clients are invited. However, these are still rare in Japan. I perceive the city center to be an ideal setting to fully enjoy such parties. It is difficult to enjoy homemade cuisine and conversation in a relaxed atmosphere if one is constantly worried about the travel time to return home. I believe such forms of social occasions will increase in Japan in the future.

ULI: What are the social advantages?

Harada: There are many. As I mentioned earlier, presently

over 20,000 companies exist in Minato City, of which 303 are foreign companies. Furthermore, most of these foreign companies are global corporations and financial institutions. So, in the event of an emergency situation such as violent fluctuations of shares due to a sudden change in the exchange rates, unfortunate terrorist incidents like those of last year, or the outbreak of war, employees must immediately return to their head office to handle the situation. From this perspective of crisis management, it is advantageous to have individuals in key positions, such as branch managers and presidents, residing within the city. We are now in an age where great value is placed on crisis management, which, due to access issues, also serves to promote population growth in Minato City.

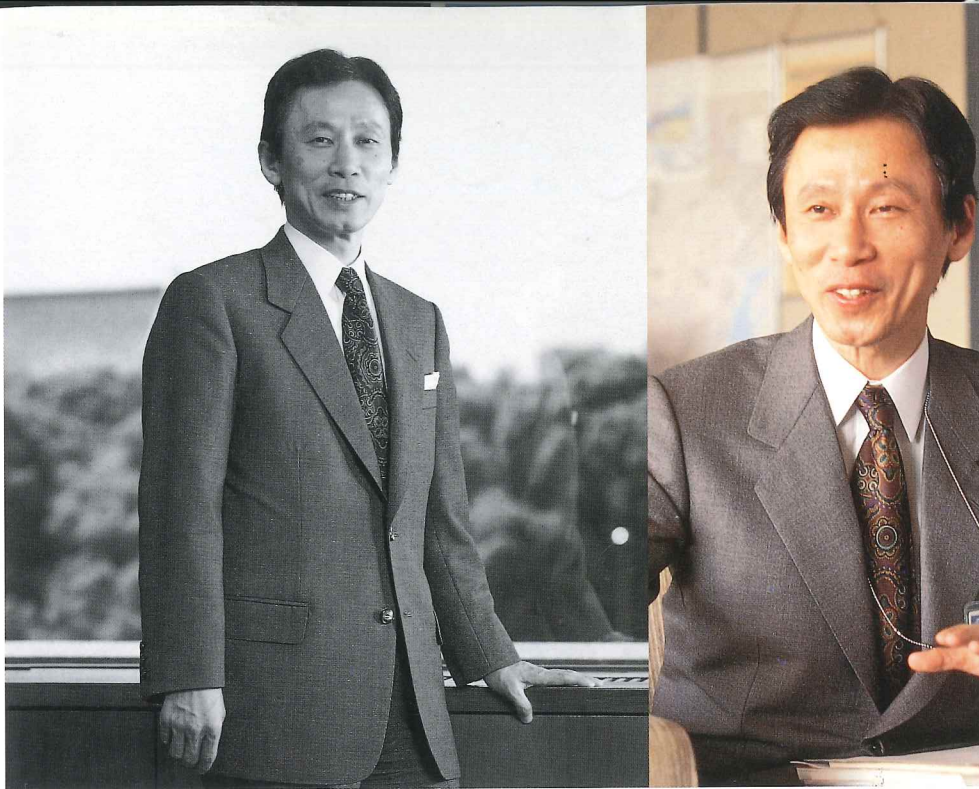
Views on Relocation of the Capital

ULI: While you are implementing measures to increase the population of central Tokyo, propositions for the relocation of the capital are emerging once again. As you know, the governor of Tokyo is vehemently opposed to this idea. How do you regard this issue as mayor of Minato City, which is located near Nagata-cho?

Harada: I also am opposed to the relocation of the capital. Metaphorically speaking, if the Japanese economy were an automobile, Tokyo functions as the engine. Disassembling the engine and spreading the parts around would lower the horsepower of the entire vehicle. In other words, the movement of the capital could weaken the Japanese economy and possibly even have a negative impact on the global economy. Speaking from the perspective of Minato City, between five and six percent of Japan's annual revenue and twelve percent of the capital's annual revenues are from corporate tax payments collected in Minato City. This is an extremely large amount of money. Therefore, decentralizing such strength would generate confusion in Japan's economy.

ULI: What about aspects unrelated to the economy?

Harada: First of all, Tokyo, by being what we call in our language the "bellybutton," or in other words, existing in the center of Japan, assumes the significant role of acting as the epitome of Japan. Stated another way, by observing Tokyo, the whole nation comes into perspective, and this provides very useful information for the decision making at foreign companies planning to set up operations in Japan and other Asian markets.



After the war, the existing Tokyo City disappeared and cities remained as geographical divisions. Therefore, as you already know, Tokyo City does not have a mayor. As for city mayors, until the introduction of the Public Offices

Another aspect is that in Tokyo, an abundance of tradition, know-how, and infrastructures have been accumulated over its long history. These existing infrastructures in the areas of roads, waterworks, and communications are being further developed due to the city revitalization projects in recent years. Avoiding the effective use of these projects and starting anew in other locations would truly be a waste of tax money.

Tokyo's Casino Concept

ULI: Governor Ishihara of Tokyo has suggested bringing casinos to Tokyo. Has he approached Minato City on any specific matters such as selection of sites?

Harada: There have been no official talks yet. As I believe presently that this idea is Mr. Ishihara's personal opinion, I am not in a position to make any official comment as mayor.

ULI: Are there collaboration structures between the prefectural government and Minato City in place for other development projects?

Harada: For example, if a resident has the desire to redevelop and will be creating a legal association, the Minato City will deal with the administrative procedures, which will be authorized in the name of the governor. The prefectural government and city work together in applying for financial assistance to the central government.

Prefectural Government and Minato City Relations

ULI: The relationship between Minato City and Tokyo is a little opaque. For example, in Tachikawa, Tokyo, where I reside, an independent taxation system is employed, but I believe Minato City is more dependent on the prefectural government. The Chiyoda City mayor recently announced that Chiyoda would, in fact, operate like a city. What are your feelings about this?

Harada: Before I answer that question, I must first mention the unique historical background of the 23 cities of Tokyo.

Election Law in 1975, they were decided by appointment, such as, nomination by an executive of the prefectural government. This means that the 23 cities of Tokyo and the prefectural government have historically had a close relationship. However, in recent years, there is an increasing demand to operate cities according to their differences, such as by area, population, and local issues. In fact, as a result of a review of the relationship between the prefectural government and cities, public cleaning operations and the administration of schools will now be done by each individual city. I believe that in the future, authority needs to be transferred to the cities in order to address the taxation system problem that you pointed out.

ULI: However, since Minato City is an indispensable source of revenue, the prefectural government will not easily assent, will it?

Harada: You are correct. As I mentioned earlier, Minato City generates twelve percent of Tokyo's annual revenues. It will probably take many years until property taxes can entirely enter the coffers of the city, like in the case of Tachikawa. Additionally, the 23 cities of Tokyo mutually support each other. For example, money earned in offices and restaurants of Minato City and Chiyoda City are distributed to cities with less income. If cities with large tax income such as Minato and Chiyoda were to suddenly declare independence, many cities would suffer from economic hardship. Therefore, the transition must be tackled in gradual steps and with great patience.

ULI: Compared to other cities Minato pays more property and other taxes to Tokyo, but how much does it get in return? Also, please explain how tax money is allocated.

Harada: The amount of money returned to Minato City is minimal. Once taxes are paid to the prefectural government, the proportion to be allocated is calculated using a simultaneous equation that considers various factors, including the population and number of companies in each city, and other unique conditions. The results of the calculation for the allocations are



then distributed. When fit into that equation, Minato City is prosperous, and is considered a money-generating city rather than a city to receive funds.

Tax Receipts in Minato City

ULI: How much revenue does Minato City collect through its own city residence tax?

Harada: Two years ago, in the year 2000, Minato City raised ¥40.8 billion from special city taxes. Within this sum, the city residence tax, in other words tax collected from every individual resident of the city, amounted to ¥35.5 billion and tobacco tax totaled ¥5.2 billion. Also, though small in amount, income from the mini vehicle tax totaled around ¥60 million. The combined total of these is ¥40.8 billion in tax revenue.

Redevelopment of the Minato City Waterfront

ULI: Changing the focus to waterfront development, the waterfront of Portland, Oregon, where I am from, had deteriorated significantly 20 years ago, but now it is very clean with an orderly and fashionable arrangement of shops and restaurants. What kind of waterfront developments are underway in Shiodome and other areas of Minato City?

Harada: Minato City's name has its origins in the Japanese word for "port," so the waterfront is an important element of urban planning to Minato City. I have inspected various waterfront developments in the West, but instead of copying their ways, I strongly desire to bring the level of our ports up to their levels through approaches to development that take advantage of existing scenery and historical settings. A good example is Odaiba. The sandy beach along its coastline brings into play the historical

background of it being a man-made island created for the positioning of cannons in case of the outbreak of war with the return of Commander Perry in 1854. Additionally, development of Takeshiba has finished. The remaining areas of development are Hinode Pier, along the canal, and Furukawa. These areas are currently being prepared, and the Minato City

government is determined to work hard to transform these areas into safe and comfortable waterfronts.

Minato City Development and Other Cities

ULI: The progress of development in each of the three cities of Koto, Shinagawa, and Minato, across which Odaiba stretches, seems to be different. Consequently, problems may arise from the perspective of maintaining the overall appearance of Tokyo Bay. Are there any coordination matters between the cities in regards to development?

Harada: As for Odaiba, development of the area belonging to Minato City has already finished. Personally, I feel it is unfortunate that one part of the site remains vacant, and I look forward to a kind of development that will gradually blend in, such as the recently built Ferris wheel and VenusFort. But as mayor of Minato City, I am not entitled to make any suggestions concerning the business of other cities. Coordination between each city is the job of the prefectural government, and the ideal situation would be for Tokyo to take the lead and coordinate matters.

Catch Phrases of Minato City

ULI: Could you relate the meaning behind the catch phrases, "open and flexible to change" and "wonderful urban port."

Harada: First of all, "open and flexible to change" means to be flexible and positive in coming up with ideas, ways of thinking, and actions. In other words, it is to avoid thinking in a manner such as, "Since there is this much space" or "Because the nature of the locality is" and not to be bound by existing ideas. It also means to alter approaches regarding town planning, to be

open to good suggestions and plans, listen attentively, take ideas seriously, and approach ideas aggressively. As mentioned earlier, "wonderful urban port" means to transform ports—the origin of Minato City's name—into wonderful areas with beautiful waterfront scenery.

ULI: You mentioned the importance of not being bound by conventional thinking. Could you please give specific examples to expand upon what you mean by flexible measures?

Harada: As an example, vacancies in small and old buildings are presently increasing in Minato City. Leaving these spaces vacant presents the possibility of them turning into dark and dangerous places that may cause problems for the owner and jeopardize the safety of the residents. So, the city is positively advancing the idea of transforming such spaces into residences. Instead of leaving office buildings as they are or merely leaving it up to the owner to find tenants, we want to flexibly respond to such situations in ways that are beneficial for both the owner and Minato City. Furthermore, if there is a residential area with good atmosphere and mainly low-rise buildings that residents desire to preserve, we will keep that area from being altered, even though we may be in an age when high-rise buildings are popular.

Measures for the Elderly

ULI: What about measures for the elderly? And what percentage of the population is comprised of the elderly in Minato City?

Harada: At present, the elderly comprise eighteen percent of Minato City's population, which is one of the highest levels in the 23 cities. As I mentioned earlier, one reason is that there are many areas with numerous historical shrines and temples in Minato City in which quite a few families have lived for generations. Thus, Minato City places great importance on issues concerning the elderly.

ULI: How many nursing homes are there presently in Minato City?

Harada: Currently, there are four special nursing homes housing elderly people in need of special care. One is presently under construction, and another is scheduled to commence construction. Additionally, there is one care house, a home for the elderly who require some extent of care, but not to the same degree as at the special nursing homes for the elderly. There are

also four apartments for the elderly and a nursing facility that provides additional medical attention to the elderly before they return home after being hospitalized.

ULI: Was this nursing facility for the elderly returning home after hospitalization built by Minato City?

Harada: To be precise, the city made the arrangements and the private sector actually built the facility. Currently, redevelopment is taking place in various areas, and I feel these will be a plus for public welfare. For example, if roads are widened by redevelopment, sidewalks will also become wider and enable easier use of wheelchairs. This will lead to a safer and more livable town for the elderly, physically challenged, and small children. In this sense, Minato City is currently working to create a town built according to recently popular concepts of universal design and being barrier free.

ULI: In an aging society, nursing care services to private residences are also a critical theme. Have any measures been taken concerning this issue?

Harada: Minato City has established seven in-home elderly nursing service centers offering various health care services to elderly people living at home, and five in-home nursing support centers that provide support for nursing. Furthermore, as we expect an increase in the use of nursing care insurance while living at home, Minato City has established a loan system that assists the elderly to live independently, such as by installing handrails and changing toilets and baths to accommodate their physical needs.

Expectations for ULI

ULI: Finally, what expectations do you hold for ULI?

Harada: Honestly speaking, I formerly did not know about the organization, but a large number of materials I used for my studies happened to be published by ULI. There are probably about five ULI hardcover books on my bookshelf at home. So, I am fully aware of the quality of ULI books through my own experience, and I believe that an organization publishing such valuable books would have very talented members. Therefore, I hope this interview will serve as an opportunity to receive advice from ULI's researchers and consultants, or perhaps learn from the various experiences gained abroad by its members so that such could be applied to the ongoing operations of Minato City.