

GENTRIFICATION IN FENER BALAT NEIGHBORHOODS: THE ROLE OF
INVOLVED ACTORS

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF NATURAL AND APPLIED SCIENCES
OF
MIDDLE EAST TECHNICAL UNIVERSITY

BY

TUĞÇE EKEN

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF MASTER OF SCIENCE
IN
CITY AND REGIONAL PLANNING

DECEMBER, 2010

APPROVAL OF THE THESIS:

GENTRIFICATION IN FENER BALAT NEIGHBORHOODS: THE ROLE OF
INVOLVED ACTORS

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ABSTRACT

GENTRIFICATION IN FENER BALAT NEIGHBORHOODS: THE ROLE OF INVOLVED ACTORS

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M.S., City and Regional Planning in Urban Design

Supervisor: Assoc. Prof. Dr. Anlı Ataöv

December 2010, 254 pages

Gentrification emerged as a middle-class interest in renovating houses in old city cores. The process changed in parallel with the economic and political restructuring during the last decade. In this period, urban regeneration became an urban strategy used by the local governments as well as a mask for gentrification. It aimed at restructuring the urban land in line with the preferences of wealthier groups rather than the social needs of existing residents. The governments intend to remove poor images of cities through the displacement of poor inhabitants. This, in turn, increases the risk of dilapidating the authenticity of the existing social, cultural, and historic fabric of the regeneration areas.

Against this trend, international conservation agencies promote rehabilitation projects to benefit existing communities of historic neighborhoods. In line with the international declarations, they intend to rehabilitate socio-economic conditions of long term inhabitants along with the conservation of historic heritage.

Accordingly, the unique architecture of Fener and Balat neighborhoods has been the focus of international efforts during the last decade. Besides, the neighborhoods attracted the local governments' interest and were declared as urban regeneration area in 2006. In this regard, thesis intends to compare Rehabilitation of Fener Balat Districts Program (RFBDP) based on the partnership of Fatih Municipality and EU and Fener Balat Neighborhoods Regeneration Project (FBNRP) based on a model of Fatih Municipality and private sector partnership, with a focus on conserving existing communities and preventing displacement.

Keywords: Gentrification, neighborhood change, neoliberal urban policy, international intervention, Fener and Balat neighborhoods

ÖZ

FENER BALAT SEMTLERİNDE SOYLULAŞTIRMA: AKTÖRLERİN ROLLERİ

Eken, Tuğçe

Yüksek Lisans, Şehir ve Bölge Planlama, Kentsel Tasarım

Tez Yöneticisi: Doç.Dr. Anlı Ataöv

Aralık 2010, 254 sayfa

Soylulaştırma, orta sınıfın kent merkezlerindeki tarihi binaları yenilemesiyle ortaya çıkmıştır. Yeni binyılla birlikte süreç, ekonomik ve politik yeniden yapılanmalara paralel olarak değişmiş, bu dönemde kentsel yenileme yerel yönetimlerin kullandığı kentsel strateji olarak soylulaştırmaya kamuflaj haline gelmiştir. Kentsel yenileme politikaları, şehir merkezlerinin yeniden yapılandırılmasını, semtlerin mevcut sakinlerini faydalandırmak adına değil, üst sınıfın bu alanlara taşınmasını teşvik etmek amacıyla yürütmeye başlamıştır. Bu durum ise tarihi alanların özgün sosyal, kültürel ve tarihi dokusunu tehdit etmektedir.

Diğer taraftan, uluslararası koruma örgütleri tarihi kent merkezlerinin özgünlüğünü korumak ve mevcut sakinlerinin yaşam koşullarını iyileştirmek adına bu alanlarda yürütülen projeleri desteklemektedir. Fener Balat semtleri de uluslararası örgütlerin katılımıyla yürütülen Fener ve Balat Semtleri Rehabilitasyon Programına (FBSRP)ev sahipliği yapmıştır. Bu program henüz bitmeden, Fatih Belediyesi yüklenici bir firmayla birlikte Fener Balat Semtleri Yenileme Projesini(FBSYP) başlatmıştır. Tez bu iki farklı projeyi sosyal dokuyu koruma ve mevcut sakinleri faydalandırma yaklaşımları açısından karşılaştırmaktadır.

Anahtar sözcükler: Soylulaştırma, semt dönüşümü, neoliberal kent politikaları, uluslararası müdahaleler, Fener Balat semtleri yenileme projesi

To My Family

ACKNOWLEDGMENTS

I owe an extraordinary debt to my advisor, Assoc. Prof.Dr. Anlı Ataöv for her insightful feedback throughout the process and willingness to go above. I would also like to express deep thanks to my comitee, Assoc. Prof. Dr. Nil Uzun, Assoc. Prof. Dr. Sibel Kalaycıođlu, Assoc. Prof. Dr. Neriman Şahin Güçhan and Instr. Sevin Osmay who provided me intellectual support and shared their times.

In addition to my commitee members, I would like to thank several individuals who supported my research in various ways. I owe thanks to Ali Emrah Ünlü (The Local Coordinator of Restoration Component in RFBDP), Önder Çanakcı (The General Secretary of FEBAYDER), Abdullah Gözaydın (The writer of www.fatihhaber.com), David Michelmores (The International Co-director of RFBDP), Mehmet Ustaoglu (the Project Manager of Etude Works In Fatih Municipality) and Güçlü Arapođlu (The authority of GAP Construction Company).

I owe great deal key participants in the case studies discussed here. The inhabitants of Fener and Balat neighborhoods were extremely helpful for my research as well as hospitable throughout the site surveys.

I'd also like to thank my friend Özge Özeke for her assist in my rush hours. I am also eternally grateful to my masters and colleagues for their encouragement and supports.

An extra special thank you goes to Burak Çalışkan who graciously gave me steadfast support, happiness as well as peace along the way. I also thank to him for listening, reassuring and companionship.

Finally, I would have never been able to accomplish what I have without the loving support and encouragement of my family. Particularly, I am grateful to my mother for her extreme effort to assist my thesis. I also owe special debt to my father and aunt for their long-standing support. They all sacrificed to allow me to finish, and this dissertation is dedicated to them.

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CHAPTER 1

INTRODUCTION

Governments carry out various urban transformation projects under such definitions as; urban renewal, urban regeneration, urban rehabilitation and urban redevelopment throughout the World. Their common shared intention is the "renaissance" of their cities. Porter and Shaw (2009) calls this a defining feature of the contemporary urban policy. This widely results in attracting investments and the middle-class population to inner cities from developed to third world countries. The State usually establishes housing associations and encourages private developers to invest in the construction of middle-class, owner-occupied housing in decayed urban neighborhoods characterized by low-cost social rented dwellings. Scholars like Kleinhans (2003), Van Kempen and Priemus (1999) refer to this form of government intervention 'urban restructuring' (Uitermark, Duyvendak and Kleinhans, 2007). These projects aim at restructuring the urban land in reference to the economic interests of the wealthier population rather than social interests of existing communities. This most often leads to the displacement of low-income residents (He, 2007).

Against this trend, we encounter a significant effort since the 1970s by global preservation agencies which promote revitalization activities benefiting low-income inhabitants in such neighborhoods. International preservation and funding agencies support transformation projects in declined and historic city centers of developing countries for the last four decades (Young, 2000). These international devices carry out definite methods to prevent displacement of existing inhabitants and to provide the improvement of districts both socially and economically.

Regardless the leading actors of the transformation process, Young (2000) argues that these projects generally result in improved physical spaces and upgraded infrastructure along with the conservation of the architectural fabric. Although the physical upgrading of such neighborhoods become visible upon the implementation of both types of intervention, their impact on existing inhabitants remain obscure. Here, I assert that local actors often pursue

different strategies from international actors, which, in turn, may lead to different socio-spatial transformation. The collaboration between local and international actors may generate inclusive solutions for existing inhabitants.

1.1 Definition of the problem and research questions

This study focuses on the ‘urban regeneration’ type of urban transformation and argues that urban regeneration projects mainly jeopardize low income inhabitants. This leads to “*gentrification*” increasing the risk of damaging the authenticity of the intervened neighborhood’s social, cultural and spatial-historic fabric. Within this respect, the study aims at exploring the role of international actors in sustaining existing low-income inhabitants in the transformation process of the neighborhood.

More specifically, this inquiry intends to assess differences between the strategies, objectives and realized outcomes of two processes with and without the involvement of international agencies. I take Fener and Balat neighborhoods as the case study sites and examine two projects with different approaches conducted in these neighborhoods with the same socio-spatial characteristics with the involvement of various local and international agencies between the years 1996 and 2010: The ‘*Rehabilitation of Fener and Balat Districts Program*’ (RFBDP) conducted with the involvement of international actors; and the ‘*Fener and Balat Neighborhoods Regeneration Project*’ (FBNRP) mainly directed by the Fatih Municipality.

Respectively, this research project aims at responding the following main research question: “*Does the involvement of international actors in urban transformation processes enhance the socio-spatial conservation of Fener-Balat neighborhoods?*” To do that, I use four parameters of socio-spatial analysis derived from previous studies (Table 1). They include ‘spatial upgrading’ (Roberts, 2000; Jeffrey and Pounder, 2000; Levy, Comey and Padilla, 2006; Bunce, 2009), ‘social improvement’ (Jacobs and Dutton, 2000; Roberts, 2000; Keneddy and Leonard, 2001; Hart and Johnston, 2000; Bunce, 2009), ‘economic development’ (Roberts, 2000; Keneddy and Leonard, 2001; Levy, Comey and Padilla, 2006; Bunce, 2009), and ‘increase in ownership’ (Marcuse, 1985; Keneddy and Leonard, 2001; Levy, Comey and Padilla, 2006; Shaw and Porter, 2007).

This study assesses if local governments’ strategies, objectives and methods change with respect to conserving the existing communities and preventing their displacement with the involvement of international agencies. Considering these issues, the study answers three specific questions: “*How and why the planning approaches of local governments*

change/differ in the Fener and Balat urban transformation areas with the involvement of international agencies?”; “How and why the implications of RFBDP and FBMRP’s socio-economic-spatial-ownership strategies differ?”; and “What are the impacts of RFBDP’s physical upgrading with respect to socio-economic improvement and ownership?”. Considering the purpose of the study, the study focuses on benefitting long term residents in transformation processes and excludes the critics concerned to conservation methods and technical features of the projects.

The inquiry examines spatial changes in relation to simultaneous changes in social improvement, economic development, and increase in ownership. Since only RFBDP has been implemented, this research does not include a comparative analysis of socio-spatial impact of both RFBDP and FBMRP after their implementation; but it presents a comparative discussion on the project strategies and objectives with respect to the mentioned four interacting parameters. Furthermore, it reflects on the outcomes of FBMRP.

Table 1.1. The parameters used in the evaluation of projects

SPATIAL	SOCIAL	ECONOMIC	OWNERSHIP
Buildings Open spaces Utilities and Services	Improving the public services(health and education) Creating Public Awareness and Appropriation Creating Public Participation	Organizing Income Raising Tools Business Assistance Programs Improving Existing Commercial Benefitting From New Commercial Units Linkage to city and regional developments Attract New Investment	Diversification Of Affordable Housing Strategies

As shown in Table 1.1, the study defines the spatial dimension to include buildings, open spaces, and utilities and services, the social dimension to include the improving the public services (health and education), creating public awareness and appropriation, creating public participation, economic dimension to include organizing income raising tools, business assistance programs, improving existing commercial, benefitting from new commercial units, linkage to city and regional developments, attract new investment, ownership dimension to include the diversification of affordable housing strategies.

1.2 Contextual Setting

This study argues that *gentrification* is generated as a problematic phenomenon in urban transformation processes and uses this socio-spatial consequence as a point of departure in formulating the focus and scope of the inquiry. This calls for an assessment on how urban gentrification is formulated in previous scientific research and a reflection on how it has evolved through time both in general and in Istanbul. This kind of overview and synthesis help to construct the contextual ground of why it is relevant to study the urban regeneration interventions in Fener-Balat neighborhoods.

To do that, this section provides two discussions. The first discussion reviews the terms of urban transformation with an historical perspective. These include urban clearance, urban renewal, urban redevelopment, reconstruction, replacement, urban revitalization, and urban rehabilitation. The second discussion focuses on gentrification and reflects on the definitions used in literature and its historical evolution in Istanbul. This presents how planning interventions in the Fener-Balat neighborhoods hold an interesting position as a transformation area yet under the risk of gentrification; on the one hand, being prevented to be one due to the involvement of local-international collaboration, on the other hand, to be potentially gentrified.

Scholars use various definitions for the term "urban transformation". In its broadest sense, "urban transformation" indicates the re-planning and redeveloping of existing urban space rather than new urban spaces (Couch and Fraser, 2003 cited in Türel, et al, 2005). Urban transformation policies and implementations have changed since the 1900s. Several urban transformation policies and implementations have been carried out in the last century, under the names such as urban renewal, reconstruction, urban rehabilitation, urban redevelopment and urban regeneration (Türel, et al, 2005). Table 1.2 shows a historical overview of how different policies of "urban transformation" are predominantly carried out in the last century. This review discusses different types of urban transformation in seven periods.

The first instances of urban transformation including urban clearance and urban renewal took place between the midst of 1800 and 1945s. Following the Industrial Revolution, cities witnessed environmental pollution, urban sprawl, inadequate infrastructure, overcrowded and low-quality living and working areas (Roberts, 2000).

To overcome the problems of industrial development in city cores, national and local governments developed several policies to overcome the detrimental effects of Industrial Revolution in Europe and USA in the 1940s. The transformation activities emerged in this period was based on the replacement of the whole existing urban structure with the new patterns. However, these policies have been highly criticized as destroying the social life and losing the cultural and historic heritage.¹

In the 1950s, the urban transformation activities most dominantly included the "reconstruction" and "replacement" policies (Roberts, 2000). Following the Second World War, "reconstruction" came to the agenda in order to rebuild the cities destroyed during the war. Replacement of new urban utilizations with the old utilizations (replacement) policies was practiced to overcome the urban problems. In this period, national governments led to the reconstruction policies with the limited involvement of private sector (Roberts, 2000).

In the 1960s, the policies including urban rehabilitation, urban revitalization and urban improvement came into the urban agenda. In this period, the European countries abandoned the urban renewal projects and produced strategies concerned to social problems (Couch, Chris and Fraser, 2003 cited in Türel, et. al, 2005). These strategies were different than the formers in terms of making a greater effort to keep the existing communities in the area. The strategies also practiced intervention techniques that respect to the authenticity of the area. Clearance urban renewal, whose approach is the opposite of "rehabilitation" from a conservation standpoint, as widely practiced intervention in the past has resulted the loose of historic buildings (Petzet, 1992)

¹ Wilmott and Young, 1957; Gans, 1962; Fried, 1966; Hartman, 1971; Parker, 1973; English et.al., 1976 cited in Carmon, p.2, 1999; Petzet, 1992)

Table 1.2: "Urban Transformation" policies carried out in the last century.(Resource: Modified table of Roberts and Sykes, p.14, 2000)

PERIOD	POLICY	FEATURES
1840s-1940s	URBAN CLEARANCE URBAN RENEWAL URBAN REDEVELOPMENT	Public-sector led projects; replacement of existing urban area; slum clearance; removal of the detrimental effects of the Industrial Revolution
1950s	RECONSTRUCTION REPLACEMENT	Public –sector orchestrated projects with some private sector involvement; repairing the II. World War damages; reconstruction of the city cores
1960s	URBAN REVITALIZATION URBAN REHABILITATION	National and local governments led projects; suburban growth; social and welfare improvements; early attempts at rehabilitation and improvement; recognition of social concerns
1970s	URBAN RENEWAL	Growing role of local governments; emergence of public-private partnership; site-oriented strategies; recognition of the city cores
1980s	URBAN REDEVELOPMENT	The abandonment of national government orchestrated projects; the emphasis on private sector; embracement of multi-actored projects, flagship projects
1990s	URBAN REGENERATION	Large-scale co-operations between local government and private sector; emphasis on sustainable development; embracing of integrated approach; reformation of urban land according to the preferences of wealthier class

Urban rehabilitation, being practiced "from house to house" in a conservation-led approach according to the principles of repair and modernization works, took the place of clearance (Petzet, 1992). Similarly, "urban revitalization" also refers to the revitalization of the physical structure along with the socio-economic conditions of the inhabitants. It concerns the whole historic and urban pattern including existing street systems, housing patterns and composite civic structures of the area (Bianca, 1997 cited in Young). Urban revitalization seeks to provide community participation and sustainability along with the implementation of new interventions compatible with the "image" of existing inhabitants (Young, 2000)

In the 1970s, the major urban transformation strategy became "urban renewal" (Roberts, 2000). The transformation policies of this period concerned with social problems continued to be adopted in city cores. Although the impacts of these projects were limited, governments gave priority to the social issue and included in their urban agenda (Türel et.al, 2005). While the urban decline was perceived as pathologic phenomenon until the 1970s, some scholars started to recognize it as an extension of structural and economic problems (Balchin and Gregory, 1987 cited in Türel et al., 2005). In this period, governments began to adopt de-centralization policies and more participatory approaches in the urban transformation activities (Roberts, 2000). Accordingly, the roles of local governments changed to become more collaborative. Partnerships between public and private sectors emerged in transformation activities (Roberts, 2000).

In the 1980s, urban transformation policies also evolved in parallel to the dominating global trends. "Urban redevelopment" became the most frequently adopted policy of urban transformation projects. In this period, centrally led projects were lost its popularity; the multi-actored projects came into the prominence; and private sector became the main actor of the urban redevelopment projects (Ronan, 1993; Atkinson and Graham, 1994; Hall and Phil, 1996, cited in Türel, et al, 2005). The focus of the urban redevelopment policies was to achieve economic regeneration in the decayed and distressed areas. (Türel, et al, 2005). To achieve this aim, "flagship projects" were assumed to play a catalytic role in urban transformation processes, and thus, became most widely used especially in Europe and the U.S.². These projects embrace large areas and involve a range of functions concerned with attracting the commercial income of investors rather than with the public interest. The projects aimed at changing the decayed image of cities through the construction of large-

² Symphony Hall in Birmingham, Canary Wharf in London, Albert Docks in Liverpool, Rotterdam Waterstad and The Cultural Triangle in Rotterdam, Battery Park City and South Street Seaport in New York (Urban Transformation..)

scale new housing, commercial, cultural and public spaces. This, in turn, would attract local and international investors as well as tourists to these areas.

There are also different notations used in *"urban transformation"* projects concerned to the protection of cultural heritage. Throughout the study, I use the European term "conservation" to refer to the protection of cultural heritage and environment³. The ICOMOS (International Council on Monument and Sites) define conservation as:

"The object of conservation is to prolong the life of cultural heritage and, if possible, to clarify the artistic and historical message therein without the loss of authenticity and meaning. Conservation is a cultural, artistic, technical and craft activity based on humanistic and scientific studies and systematic research. Conservation must respect the cultural context" (ICOMOS, *Guidelines On Education, 1993*)

"Conservation" encompasses a range of attitudes and approaches that refer to different degrees of intervention. The terminology related to the intervention techniques used in "conservation" varies from place to place⁴. I used the terms according to the definitions of a seminar conducted by UNESCO⁵. *"Restoration" refers to return something to its "original" structure by gentle interventions and without altering historic material through the reversible materials.* ⁶. *"Renovation" is defined as the addition of a new element or component in compatible materials and/or to reconfigure interior space without destroying the original form.* ⁷. *"Reconstruction" refers to the re-establishment of structures on the basis of pictorial, written or material evidence that have been destroyed by accident, natural catastrophes or events of war (Petzet, 1992). However, it is discouraged even prohibited in the international charters⁸. "Rehabilitation" refers to a change in use that does not alter the*

³ The term "conservation" is used for cities, architecture and art objects in Europe. The term "preservation" refers to the buildings and urban space while "conservation" refers to the artworks and natural environment in United States and Australia (Fitch J.M, 1990 cited in Lamprakos, pp.35-36 2006)

⁴ The terms conservation, restoration and renovation have been very differently defined. Even in modern specialized literature the terms are used in the same meanings.- restoration as a general term for restoration and conservation, renovation instead of restoration -.In some countries an additional term, "reconstruction", is used instead of restoration or renovation in historic building preservation regardless of whether a structure is in fact being reconstructed, restored, renovated or merely conserved (Petzet, 1992)

⁵ The terms were explained in a training seminar in Sana'a in 2004 conducted under the auspices of UNESCO (as cited in Lamprakos, 2006)

⁶ The terms were explained in a training seminar in Sana'a in 2004 conducted under the auspices of UNESCO (as cited in Lamprakos, pp. 34-35, 2006)

⁷ The terms were explained in a training seminar in Sana'a in 2004 conducted under the auspices of UNESC. (as cited in Lamprakos, pp.34-35, 2006)

⁸ Reconstruction may be appropriate if it is essential to the function or understanding of a place, if sufficient physical and documentary evidence exists to minimise conjecture, and if surviving heritage valued are preserved. Reconstruction should not normally constitute the majority of a place. Generalised representations of typical features or structures should be avoided. (ICOMOS New Zealand Charter, 1996)

*form or typology of the building.*⁹ The success of rehabilitation depends critically on a compatible use of historic buildings (Petzet, 1992). Rehabilitation works are implemented to accommodate the modern requirements of buildings as an installation of new heating systems or renewal of electrical systems (Petzet, 1992). Modern installations and requirements are carefully accommodated to historic fabric (Petzet, 1992).

In the last decade of the 20th century, "urban regeneration" emerged as a new type of urban transformation phenomenon. The feature of this type is the recognition of a recent urban transformation process with new urban problems and struggles (Türel, et al, 2005). They, in turn, call for new legal arrangements, institutionalizations and co-operations to emerge as a response. Respectively, one of the most significantly defining characteristics of urban regeneration appears an institutional one. This suggests adopting partnerships between local governments and the private sector as an urban strategy (Ataöv and Osmay, 2007). There had certainly been public-private partnerships in previous applications, but the scale and the character differed (Hackworth and Smith, 2001). First, the scale of real-estate developers has enlarged through intrincating financing networks in recent applications; Second, local governments provide distinctive financial and legal incentives to the private sector for developing urban land through these partnerships (Hackworth and Smith, 2001).

This kind of institutional emergencies focusing on the financial relationships of involved actors often disregard the existing social context. An effective means for a quick solution to revitalize a decayed neighborhood becomes attracting wealthier households to the neighborhood to create a self-financing system in space. This, however, results in gentrification (İslam, 2010; Güzey, 2009). Within this context, space is re-produced excluding the original social fabric, yet based on the preferences of new comers.

Historic districts have begun to be transformed to accommodate wealthier class' life styles and tastes rather than the social interests of existing low income residents. This has not become only a consequence, but an urban strategy by some local authorities. The term urban regeneration is defined as the mask for *gentrification* (Porter and Shaw, 2009). The use of gentrification as an urban strategy tool leads to the direct or *exclusionary*¹⁰ displacement of former inhabitants. They cannot benefit from urban regeneration projects that, in fact, aim at


⁹ The terms were explained in a training seminar in Sana'a in 2004 conducted under the auspices of UNESCO.(as cited in Lamprakos, pp.34-35, 2006)

¹⁰"When one household vacates a unit voluntary and that unit is then gentrified...so that another similar household is prevented from moving in , the number of units available to the second household in that housing market is reduced.The second household, therefore, is excluded from living where it would otherwise have lived."(Marcuse ,1985)

revitalizing their properties and neighborhoods. They lead to aberrant rent increases, the loss of affordable housing, alienation of residents, and unfair transfer of inhabitants.

Similar to "urban regeneration", there is also debate on the definition of urban gentrification in the literature. While some definitions do not include the displacement of the incumbent (Vigdor 2002; Freeman,2005), in line with Smith (1996), Hackworth and Smith (2001), Slater (2006), this study argues that the gentrification process leads to the displacement of existing low-income families. Hence, I use this term to refer to an urban problem which jeopardizes the social authenticity of the historic neighborhoods throughout the study. Table 1.3 indicates the implied relationship between the terms urban transformation, urban regeneration and gentrification which this thesis adopts.

Table 1.3: The Relationship between Urban Transformation, Urban Regeneration and Gentrification.¹ I refer to indicated relationship throughout the study.

FORM OF URBAN TRANSFORMATION	IMPACTS OF URBAN REGENERATION
URBAN RENEWAL RECONSTRUCTION REPLACEMENT URBAN REHABILITATION URBAN REVITALIZATION URBAN RENEWAL URBAN REDEVELOPMENT URBAN REGENERATION	PHYSICAL UPGRADING CONSERVATION OF HISTORICHERITAGE ECONOMIC IMPROVEMENT SOCIAL IMPROVEMENT  LEAD TO GENTRIFICATION- DISPLACEMENT OF EXISTING COMMUNITIES

A historical review of transforming neighborhoods in Istanbul demonstrates that the transformation of historic centers in İstanbul has accelerated after the 1950s with the industrialization and first waves of rural immigrations (Behar, 2006). This resulted in the change of the social characteristics of historic settlements (Uzun, 2001; Nilgün, 2004). A rapid urban decay began when low-income families started to settle in these districts. The

houses that were built for one family began to be occupied by five even six families and the dwellings lacked of maintenance due to poverty. Streets became only public spaces for some neighborhoods and districts neglected by local governments in terms of municipality services. Fate of decayed, historic neighborhoods began to change through the waves of urban gentrification.

Thesis intends to classify these waves based on the schema of the Hackworth and Smith(2001). Respectively, the study defines the three waves of gentrification in İstanbul according to main involved actors. In line with Hackworth and Smith, thesis presents the involved actors according to economic and politic restructuring processes. Table 4-5-6 show these waves. Although Chapter 4 provides a detailed discussion on the waves, this section gives an overview of each wave with respect to initiating dynamics and actors, socio-economic-spatial impacts, and state intervention, and possible transformed neighborhoods. Moreover, this section reflects on possible gentrification waves with respect to involved institutional mechanisms functioning through transformation processes.

In the first phase, artists and intellectuals began to move these neighborhoods including Kuzguncuk, Ortaköy, Asmalımescit, Cihangir and Galata due to the historic value, proximity and low prices. Actors designated the urban area and buildings as cultural object.

Hence, a transformation process began through the inclusion of wealthier class into the neglect cores. They rehabilitated their houses and environment. This led to aberrant increase in the rates and existing low-income groups moved out because of the lack of affordable housing. As a result, socio-spatial structure of neighborhoods has changed. In this wave, gentrification processes started spontaneously by the initiations of the individual gentrifiers.. (Table 1.4).

In the case of second wave, international institutions initiated and involved the gentrification process in cooperation with local government. The joint rehabilitation programme of international organizations and Fatih Municipality gave rise to social transformation of Fener and Balat neighborhoods along with the conservation of historic heritage (Table 1.5).

Finally, in the third phase "urban regeneration" came to the agenda of governments in parallel with international trends. The characteristic of this form is the implementation of multi-actored projects to regenerate the physical structure of neighborhoods. In this sense, new legal arrangements were enacted to accelerate the regeneration process. For this aim, Law 5366 "Conservation by Renovation and Use by Revitalization of the Deteriorated

Historical and Cultural Immovable Property" came into force and several districts including Fener and Balat were declared as renewal area (Table 1.6). Hence, the third wave of gentrification was provoked by the governments in the name of regeneration of "poor" image in the city centers. After all, while, the process was initiated by individual attempts of artists and intellectuals in the first wave, institutional actors became the promoter of the second wave and state has been the main actor of the gentrification process in the third wave.

Gentrification raised in the neighborhoods of Beyoğlu notably in Asmalımescit, Cihangir and Galata districts in the late 1980s. Typical of these districts were the housing stock which belongs to the 19th and early 20th centuries with a Bosphorus views and which was located close to major pedestrian, a commercial axes İstiklal Street that is famous with its shops, bars and cultural activities. The process succeeded in a different way in each neighborhood. While the social structure of Cihangir and Asmalımescit have radically changed, the process proceeded slowly in Galata (İslam, 2005).

In the second wave, gentrification occurred in one of the poorest areas of İstanbul: Fener and Balat neighborhoods. On the other hand, the involved actors in the process have expanded. Fener and Balat neighborhoods are located in the historical peninsula of İstanbul inside the borders of Fatih municipality. They are known as the neighborhoods of wealthy Greek and Jewish populations who used to live in this area until the 1950s. The historic housing stock of the area consists of buildings dated to pre 1930s and between 1930 and 1950 (Fatih Municipality, et al, 1998). After the 1950s prominent residents of neighborhoods left the area. Later, these buildings which were built for one family began to be occupied by four or five families who emigrated from rural areas.¹¹ Thus, socio-economic structure of the quarter changed with low-income migrants (Gür, 2008). The district became a decayed area settled by poor and temporary occupiers who can't afford to finance the maintenance of the houses. The already poor social and economical conditions of inhabitants got worse after the relocation of the dockland from Golden Horn to Tuzla in 1983 (Gür, 2008). The decline of districts has grown by insufficient infrastructure, transportation services and dilapidated urban environment. Therefore, the neighborhoods became an isolated and neglected area.

¹¹ Observed during the site surveys between 2004 and 2010.

Table 1. 4: First wave of gentrification (resources:; Uzun, 2001; Ergün, 2004; Enlil and İslam, 2005)

District	Initiating Dynamics	Initiating Actors	Socio-economic impacts	Spatial impacts	State Intervention /Legal Arrangements
Kuzguncuk 1980s-	Architectural valued housing stock; Historic fabric; Bosphorus View; Rent gap	Intellectual and Artists; Investors	Limited displacement; Public Awareness; Increase in land and property prices	Housing and environmental rehabilitation	Protection of the neighborhood within the scope of law Bosphorus Development passes in 1983.
Ortakoy Early 1980s-	Architectural valued historic housing stock; Historic fabric; Bosphorus View; Rent Gap	Intellectual s, artists (as pionners). Entreprene urs:	Radical change in social structure ; Increase in land and property prices; commercial gentrification	Housing Rehabilitation; functional change in buildings; environmental upgrading; commercial regeneration	Initiation of revitalizing acts by the municipality through the establishment of handicraft village in the 1970s; 1989 Ortaköy Renewal project/ 1983 Bosphorus Development Law
Cihangir Asmalımesic t Galata ** 1990s-	Architectural valued, historic housing stock; Historic fabric; Proximity to İstiklal Street, easy access to	Intellectual s and Artists (as the pioneers) Entreprene urs, invest ors	Radical change in social structure; Increase in land and property prices; commercial gentrification **No sharp increases in prices, slower change	Housing Rehabilitation; Environmental Upgrading; change in commercial units	Effect of revitalizing acts conducted by Beyoğlu Municipality in the 1990s. (Revitalization & Pedestrianisation of İstiklal Street, Beautiful Beyoğlu Project / 1994 Protection Law of Cultural and Natural Assets

Table 1.5. Second wave of gentrification in İstanbul (Resources: Fatih Municipality, et al, 1998; Site surveys for thesis study in 2009-2010; Interview with the local coordinator of restoration component for the thesis study in 2009)

District	Initiating Dynamics	Initiating Actors/ Partners	Socio-economic impacts	Spatial impacts	State Intervention
Fener-Balat 1997-	Architectural valued housing stock Historic fabric View	International Devices and Local Government	Limited displacement Public Awareness Increase in land and property prices Improvement in Public Services Transformation of commercial units	Housing Rehabilitation Environmental Upgrading Upgrading of Infrastructure Change in commercial units	The municipality is an actor of the project – participates the budget and organizes the implementations / 1994 Protection Law of Cultural and Natural Assets

Table 1.6. Third wave of gentrification in İstanbul (İslam, 2007; Balaban, 2008; Fatih Municipality, 2008)

District	Initiating Dynamics	Initiating Actors/Partners	Socio-economic impacts (predicted)	Spatial impacts	State Intervention
2006- Fener-Balat Tarlabası Sulukule*	Architectural valued housing stock; Historic fabric	National and local governments Private Sector HDA*	Displacement of existing low income families; Radical change in social structure	Regeneration of physical structure without the implementation of international conservation techniques. Deterioration of the authenticity of the existing buildings stock and urban fabric Upgrading of Infrastructure;	The municipality is the main actor of the project National Government supports the municipalities via legal arrangements Law on "Conservation by Renovation and Use by Revitalization of the Deteriorated Historical and Cultural Immovable Property" passed in 2005.

The fortune of neighborhoods began to change with the Habitat II Conference that was held in İstanbul in 1996. During the Habitat II Conference in 1996, a suggestion was emerged to conduct a project in these districts with the attempts of municipality authorities¹². Following this, Rehabilitation of Fener Balat Districts Program¹³ started in 1999 with the joint intervention of Fatih Municipality, UNESCO and EU. EU declared that the project would be directed by UNESCO and it would receive seven millions Euro financial supports. One of the reasons that the project could receive financial support from EU was the participation of non-governmental organizations (Tuncer, 2006).

The programme was launched on January 6, 2003 and it was planned to be completed at the end of October 2006. In the first evaluations, 744 buildings were defined as historic valued and 200 of them were selected for restoration (Interview with the local coordinator of restoration component for the thesis study, 2009). But the programme completed the restoration of 121 houses including shops and social center due to problems concerned with property owners (Interview with the local coordinator of restoration component for the thesis study, 2009). According to its programme, the project targeted to achieve socio-economic rehabilitation for current residents and the main objective of the programme was to benefit the long term residents from rehabilitation (Interview with the local coordinator of restoration component in RFBDP for the thesis study, 2009). In this respect, beside concrete precautions like signing agreement with households not to sell their dwellings for five years to prevent speculation and selecting houses whose property have not changed after 1997, the programme also encouraged the sustainability and public participation. For this purpose, a social center is established in which education and health service units, nursery, free courses for literacy are located.

Meanwhile, another transformation process emerged in İstanbul within the scope of third wave gentrification. Government conducted legal arrangements to initiate "urban regeneration" projects in parallel with global trends. Following the enacting of the 5366, 'Law on the Protection of Deteriorated Historic and Cultural Heritage through Renewal and Re-use', " Sulukule" and " Tarlabaşı" projects were initiated by the local governments. While Tarlabaşı Renewal Project is based on the local government and private sector partnership, Sulukule Renewal Project is based on the local government and HDA (TOKİ-Housing Development Administration). However, both of the projects propose a new lifestyle for the districts through the construction of luxurious, high quality residential and commercial units.

¹²The project manager of the period, Prof. Fikret Evci(2008) mentioned that he has presented Fener Balat neighborhoods to the authorities of UNESCO and persuaded them for a project during HABITAT II in 1996(taken from an interview in www.mimdap.org)

¹³ It is referred as RFBDP in the following text.

Fener and Balat neighborhoods were also declared as renewal areas based on the law 5366 "Conservation by Renovation and Use by Revitalization of the Deteriorated Historical and Cultural Immovable Property" in 2006¹⁴. While RFBDP was going on, Fatih Municipality put out Fener and Balat Neighborhoods Regeneration Project, which encompasses an area adjacent to RFBDP's area, to tender (Figure 1.1.)The renewal area encloses Eski Antik Mustafa Paşa, Mollaşkı, and Balatkarabaş quarters as well as Vodina, Tahtaminare, and Yıldırım streets that covers an area of 279.345 m2 which includes 910 buildings (Interview with project coordinator of the contractor company in regeneration project for thesis study, 2009). There are given choices for the property owners of these buildings like; restoring their houses according to the project with their own financial sources or company will restore the houses in return for a part of property either to move the houses built by HDA (Housing Development Administration) in another district (Fatih Municipality, 2008). The project has no declared social rehabilitation or sustainability strategy and not showing any continuity to RFBDP. Social and statistical studies of RFBDP were not used and any precautions to prevent speculation in the areas have not been declared¹⁵. Besides, one of the main objectives of RFBDP was to be a role model to Fatih Municipality for other rehabilitation projects. This objective is also one of the participation reasons of the international organizations (Interview with the local coordinator of restoration component in RFBDP for the thesis study, 2009). However, the local coordinator asserts that they can't see any trace of their methods practiced in RFBDP (Interview with the local coordinator of restoration component in RFBDP for the thesis study, 2009).

There are also challenges concerned to the conservation methods of FBNRP. The first drawings of the project indicate that building lots have been merged and historic fabric has been destroyed by this way. The historic houses designed for one family and function in vertical axis transformed to function in horizontal axis to be able to occupy by more families as apartments. Furthermore, the project only covers waterfront area where is favorable for speculation and proposes private recreation areas for public spaces.

¹⁴Definition of Republic of Turkey Ministry of Culture and Tourism.

¹⁵ Taken from the interview of Burçin Altınsay (Local Coordinator of RFBDP) in Yeni Mimar, December, 2007.

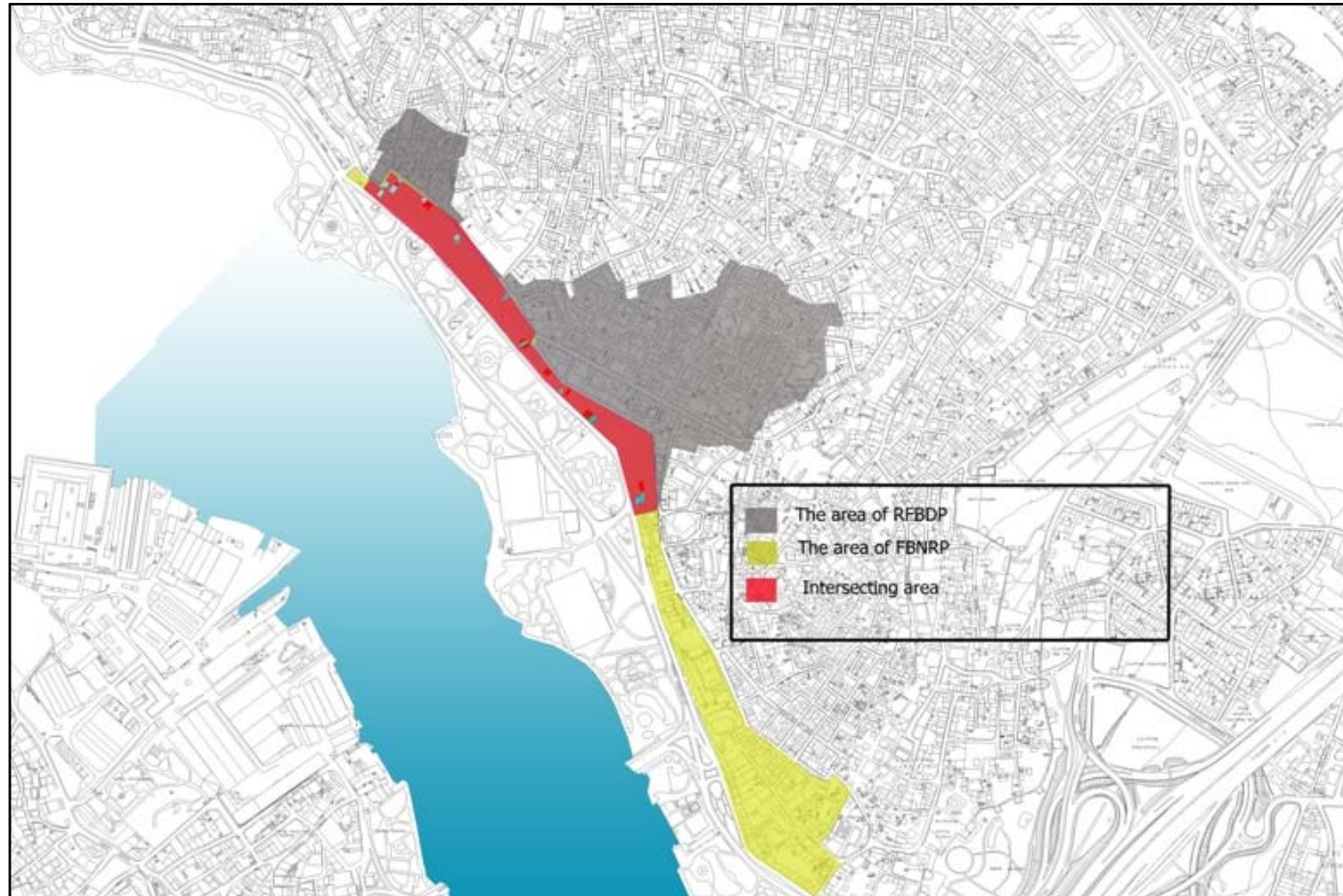
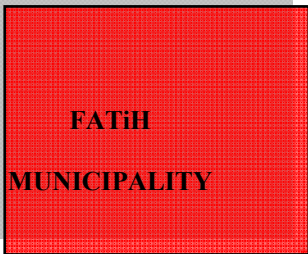


Figure 1.1. The are of RFBDP and FBMRP

Table 1.7. The actors scheme of Rehabilitation of Fener Balat Districts Program and Fener Balat Regeneration Project

ACTORS SCHEME OF PROJECTS		
Rehabilitation of Fener Balat Districts Program 1997-2008		Fener Balat Neighborhoods Regeneration Project 2006-
-EU		- CONTRACTOR FIRM

In this context, Fener and Balat neighborhoods are selected as case study areas for two main reasons. First, the neighborhoods experienced an international actor involved rehabilitation project. Second, another project developed by local government and Contractor Firm in the same neighborhoods. EU and Fatih Municipality were the main participants of the first project and Fatih Municipality and Contractor Firm are the main actors of the second project.¹⁶ This makes possible for the study to define the roles of different actors in benefitting existing residents from transformation projects that are carried out in same neighborhoods with Fatih Municipality participation commonly (Table 1.7)

1.3 Scope and objectives of the study

This research contributes both practically and theoretically to the knowledge related to the roles of institutional actors to prevent gentrification, and thereby, to benefit long term residents from transformation projects. The study contributes practically through a comparison of RFBDP and FBNRP in terms of spatial upgrading, social improvement, economic development and ownership. Respectively, it aims at appraising the strategies, objectives and methods to prevent the displacement of long term residents and to achieve economic and social development in a gentrifying neighborhood. Thus, the case study explores how the strategies, methods and objectives differ in two different transformation projects in the same district with the involvement of an international device.

The study is also theoretically important because, although, gentrification is heavily discussed in literature, there is a lack of studies which investigate the state intervention into regeneration projects in developing countries. There is still not much of a critical literature that *sniffs around for gentrification amidst the policy discourse* (Slater, 2006). This study

¹⁶ The actors are discussed in Chapter 5 in detail.

intends to assess state intervention into gentrification process with the name of "urban regeneration projects" and search usage of gentrification as a policy tool (what about it?, whether it is used?, How it is used?). In this respect, thesis uses case study method in order to define distinction of local government planning approaches in two different projects in terms of preventing gentrification and benefitting former inhabitants within a socio-spatial transformation process.

Since the study argues that different actors have different aspects from transformation projects, this group of actors are the main agents in the reformation of space. Respectively, thesis frames the gentrification process according to the main involved actors. Further, this study develops a new gentrification scheme for İstanbul with respect to the involved actors of the process in line with the international literature (Hackworth and Smith 2001; Hackworth, 2001; Slater et al., 2004; Slater 2006; Lees and Ley, 2008). So far, gentrification process in istanbul has been classified as three waves with reference to their region (Kuzguncuk, Ortaköy ; Cihangir, Asmalımescit, Galata; Fener, Balat) in the literature (İslam, 2005; İslam and Enlil, 2006). However, the waves of gentrification have been constituted according to the economic and political restructuring processes in the world. That is to say, thesis frames the evolving history of gentrification in İstanbul with its involved actors and emphasis the changing role of state from the 1980s to the 2000s.

Finally, the thesis aims to contribute to enriching regeneration methods to prevent displacement while achieving economic and social development besides spatial upgrading in a gentrifying neighborhood. At that rate, gentrification calls for developing an approach that involves interventions to reduce social polarization and policies that emphasize use value (Shaw, 2007). Respectively, this thesis intends to present an integrated approach to benefit existing communities from transformation projects and the roles of local governments in benefitting low-income communities of the regeneration areas in developing countries.

1.4 Outline of the thesis

The study is composed of six chapters. The first chapter introduces the definition of the problem and research questions, contextual setting, scope and objectives of the study and the outline of the thesis. This chapter also presents the gentrification process in different districts of İstanbul and intends to explore the distinction of case study areas in this way.

The second chapter focuses on literature review and presents the discussions related to the gentrification, the socio-spatial restructuring in neoliberal age and the changes in

international approaches. Third chapter gives the framework of the study, explain the research approach, data gathering and analyzing techniques that are conducted during the study. The following chapter presents the waves of gentrification in İstanbul. Fifth chapter focuses on the case study and explores the RFBDP and FBMRP as well as compare them in terms of their actors, financial structures, legal basis and planning approaches (spatial, social, economic, ownership). Finally, the last chapter explores the conclusion.

CHAPTER 2

GENTRIFICATION AS AN URBAN PROBLEM

In this chapter, I review the existing literature on gentrification which involves different interpretations, theories and waves of the process a background to the study that aims to explore the roles of different actors in such a process. This chapter seeks to define the key characteristics of gentrification to understand the reasons why governments can use the process as an urban regeneration strategy. In this chapter, I intend to present the background of two projects through the explanation of the process with a broad perspective.

A number of indicators have been discussed in the literature such as: the invasion of new middle class into working class neighborhoods, upgrading of the physical structure, changes in neighborhood's social structure, displacement of former residents, increase in sale prices of homes or commercial units more than average, increase in private investment, increase in shops that are catering to higher income and crime rates. All these factors are used to evaluate the process in case study areas. These issues are drove to explore the roles of actors including state, international organization and other non-governmental organizations. Beside aforementioned factors, this chapter mainly focuses two issues in parallel with the actors of the case study projects. First is the notion called *state-led gentrification* or encouragement of gentrification by the state and second is the gentrification in international conservation approach.

This chapter is composed of four parts. The first part introduces an overview of gentrification including its definition, driving forces and impacts. The second part explores the distinctive of gentrification process in neoliberal age through the explanation of earlier waves. Following part presents the evaluation of international declarations in terms of their approach on gentrification. Finally, the last part introduces the strategies to benefit low-income families and eliminate the negative impacts of gentrification in a transformation project.

2.1 An overview of gentrification

This part presents an overview of gentrification through the interpretations of definitions, driving forces and impacts of the process. Perspectives on gentrification change due to the different ideologies; researchers see what they care most about the urban development. Besides, the different views also result from the different impacts on different neighborhoods. In other words, to understand the process we have to recognize that countries, their development statue (developed, developing, under-developed), metropolitan structures, local articulations, all play distinguishing and decisive roles. The process has different actors, driving agents and results in each case. It can be a relatively good process for some districts while it can be a disaster for others. Keneddy and Leonard assert this as:

"Gentrification is a double-edged sword. It is often a productive by product of revitalizing city neighborhood, but it can impose great costs on certain individual families and businesses, often those least able to afford them" (Kennedy and Leonard, p.14, 2001).

This section is composed of three parts. The first part presents the existing definitions of gentrification. The second part introduces the different theories concerned to the driving agents of gentrification. In the third part, I discuss the different views –in favor and opposed - about the social, economic and spatial consequences of the gentrification as well as the most recent debates on gentrification.

2.1.1 Definition of gentrification

In this part, I revise the definitions of the term "gentrification ". Gentrification became a phenomenon that has been attracting a great deal of interest in the last four decades. Despite over forty years of researches, the term is still on debate even by its definition. The most common issue in the definitions is the movement of higher income households into lower income neighborhoods. This is generally where the agreement has ended. After that, the definitions take shape according to the different emphasizes on the driving forces, impacts and specific conditions. Thus, the definitions can be grouped according to these emphases (Table2.1).

Table 2.1: The different types of definitions.

TYPE OF DEFINITION	EMPHASIS OF DEFINITION
DRIVING FORCE EMPHASIS	
People Driven	New Middle Class
Capital Driven	Rent Gap
IMPACT EMPHASIS	
Positive Side	Physical Upgrading
Negative Side	Displacement
SPECIFIC CONDITIONS EMPHASIS	
Super Gentrification	Financers – Higher Income Residents
New Built Gentrification	New Construction
State-Led Gentrification	State Intervention

There is no exact agreement on the definition of gentrification but most of them involve the process that middle income residents move into lower-income neighborhoods. The term "gentrification" is first introduced in Ruth Glass' book *London: Aspects of Change* in 1969 (Badcock, 2001).

"One by one, many of the working-class quarters of London have been invaded by the middle-classes — upper and lower. Shabby, modest mews and cottages — two rooms up and two down — have been taken over, when their leases have expired, and have become elegant, expensive residences. Larger Victorian houses, downgraded in an earlier or recent period — which were used as lodging houses or were otherwise in multiple occupations — have been upgraded once again. Once this process of 'gentrification' starts in a district it goes on rapidly until all or most of the original working-class occupiers are displaced and the whole social character of the district is changed "(Glass, 1964, p. 18).

First definitions of gentrification involve the issues of invasion of middle class, physical upgrading and exclusion of low income. Glass describes gentrification as the invasion of working class areas by wealthier classes, who upgrade dilapidated, modest housing to an elegant residence which lead to the displacement of all, or most of the former working class inhabitants (Hamnett & Williams, 1980, cited in Silver, 2006). We can see the elements of gentrification which are mostly accepted in this passage; the reinvestment to old core,

moving out of lower income groups and changes in social character of the neighborhood (Silver, 2004). Hamnett (1984) also highlights these issues in his definition:

"Gentrification commonly involves the invasion by middle-class or higher-income groups of previously working-class neighborhoods or multi-occupied 'twilight areas' and the replacement or displacement of many of the original inhabitants" (Hamnett, p.173, 1984).

Definitions began to specialize within the years according to the driving mechanisms of process. A part of these definitions emphasize the issue of "new middle class" beside displacement in their description. For instance, Criekingen and Decroly (2003) describe gentrification as:

"a process sometimes labeled 'yuppification' ... the metamorphosis of deprived inner-city neighborhoods into new prestigious residential and consumption areas taken up by a new class of highly skilled and highly paid residents, typically business service professionals living in small-sized, non-familial households – that brings displacement of the neighborhood's initial population" (Criekingen and Decroly ,p.2452, 2003).

Similarly, Bostic and Martin (2003) define gentrification as.

"A neighborhood evolutionary process in which affluent, usually young, households move into and upgrade distressed neighborhoods, with many of the neighborhood's original residents being displaced..." (Bostic and Martin,p.2427,2003)

Another part of definitions involve the movement of "capital" and emphasize the "economic transformation". Smith (1996) defines gentrification as:

"Gentrification is the process... by which poor and working-class neighborhoods in the inner city are refurbished by an influx of private capital and middle-class homebuyers and renters... a dramatic yet unpredicted reversal of what most twentieth-century urban theories had been predicting as the fate of the central and inner-city. "(Smith, p.30, 1996)

Another approach in definitions is to emphasize the impacts of gentrification. A part of this kind of definition underscores the physical upgrading and conservation of historic heritage and overlooks the displacement. That is to say, not all definitions of gentrification include the displacement of the low income former residents. Some scholars argue that displacement is not a necessary outcome of gentrification if original residents can afford to move another neighborhood or are attached to the neighborhood, or if higher-income households occupy vacant properties or move into newly constructed developments. Freeman (2005) disregards the displacement in his definition and underlines the revitalization of neighborhood:

"Gentrification, the process by which decline and disinvestments in inner-city neighborhoods are reversed..., by attracting middle-class residents and spurring investment, gentrification has the potential to revitalize depressed central city neighborhoods" (Freeman, 2005, p.463)

On the other hand, an important part of authors underscore the displacement of lower income residents from their neighborhoods in their definitions. That is to say, issue of displacement is the basis of the definitions. Kennedy and Leonard defines gentrification as *the process by which higher income groups replace lower income which causes the change in the essential character of that neighborhood.*(Kennedy&Leonard, 2001). They point the displacement issue in their definitions as:

"Under our definition, gentrification has three specific conditions which all must be met: displacement of original residents, physical upgrading of the neighborhood, particularly of housing stock; and change in neighborhood character." (Kennedy&Leonard, p.6, 2001).

Also, for Smith (1992), the feature of gentrification is the displacement of the poor, as so-called "higher" classes seek to invade poorer and neglect neighborhoods for their own use. Hamnett (1984), too, highlights that the term gentrification, refers to a process which causes exclusion of former residents:

"Gentrification commonly involves the invasion by middle-class or higher-income groups of previously working-class neighborhoods or multi-occupied 'twilight areas' and the replacement or displacement of many of the original inhabitants" (Hamnett, p.284, 1984)

The contemporary definitions also highlight that the gentrification includes displacement of low –incomes from their neighborhoods and point out the concerns about *"involuntary displacement "*

"Neighborhood evolutionary process in which affluent, usually young, households move into and upgrade distressed neighborhoods, with many of the neighborhood's original residents being displaced ... It is common for discussions of gentrification also to add a racial dimension to gentrification that follows a well-defined pattern." (Bostic and Martin , p.2427, 2003).

In recent years, definition of gentrification has expanded. The emergence of new forms of gentrification -'new-build', 'commercial', 'super-gentrification'—have challenged traditional definitions and emphasized the requirement of broader definitions. One of them is the Lees' definition named as "super gentrification" :

"New group of super-wealthy professionals, working in the City of London, is slowly imposing its mark on this Inner London housing market, in a way that differentiates it, and them, from traditional gentrifiers, and from the traditional urban upper classes ... Super-gentrification is quite different from the classical version of gentrification. It's of a higher economic order; you need a much higher salary and bonuses to live in ..." (Butler and Lees, p. 467, 2006)

Also, during the recent years, the term of *gentrification* refers not only upgrading of the incumbent but also various revitalizing acts in old city centers including construction of new residents address to high income groups, opening of new commercial and social units catering to affluence residents. In this frame, a new definition emerged in recent years called as "New-build gentrification" which expresses the construction of high-status housing in inner urban areas (Davidson and Lees, 2005). It refers to the construction of new projects on vacant/demolished center city land and reconstruct the city for more affluent and technologically competent residents.

Another descriptive definition that points the 21th century gentrification is "state –led gentrification" where national and local government became the actors of the process. Vicario and Rodriguez (2007) define state-led gentrification as:

"Changing nature of gentrification is closely tied to increasing state involvement in the process, with a larger role being played today by urban governments in promoting and supporting gentrification... has turned into an integral component of numerous urban regeneration strategies" (Vicario and Rodriguez, p.6, 2007)

Although the term "gentrification" has been being discussed more than forty years, even the definition of it, is still on debate. The variety of definitions changes according to the political views, time and perspectives. Besides, contemporary form of the process enforced observers to specialize the definitions. The definition of the process which was coined by Glass in 1964, has mutated and expanded. Thus, it can be said that gentrification is a multi-faced, dynamic process with many dimensions.

2.1.2 Driving Forces of Gentrification

This part introduces the theoretical discussions about the driving forces of gentrification. There are mainly two different arguments in the literature: consumption side and supply side. It is essential to understand driving forces of gentrification to understand the causes and forms of state intervention and private sector involvement into the process. In this way, thesis intends to understand actors' aspects from the process. On the other hand, explaining

the different driving forces also means to explain the stages of gentrification until the state intervention phase.

Beside its definition, there has been another international debate about gentrification. The debate is on the primary agents of gentrification: developers/investors who move their money into old neglected cores to reap profit by renovating and reselling houses or a "new" middle class who prefer to live renovated houses in non-suburban areas for reasons related to changing preferences, demographic factors and desire of different cultural experience. The first argument focuses on the production side of space, also referred as "supply side" by some searchers (Smith, 1979; Clark, 1988; Badcock, 1989) and represents the economic argument. Second is "consumption side" or "demand side" that represents the cultural argument. (Ley,1980; Mullins, 1982;Moore,1982; Beauregard, 1986). Table 2.2 indicates the factors discussed in both arguments.

Table 2.2.The factors discussed in demand side and supply side arguments

A.DEMAND SIDE	B.SUPPLY SIDE
Factors Discussed	Factors Discussed
A1. New Middle Class	B1. Investors / Developers
A1.1 .Grow in "White-Collar Employment	B2. Rent Gap
A1.2. Rise In Female Labor	
A1.3. New households (e.g., Homosexuals)	
A1.4. Artists	

2.1.2.1 Demand Side (Consumption side – Cultural Argument)

Demand side explanations of gentrification focus on the changing preferences of middle class and demographic factors. Explanations argue that these changing issues may lead to the demand from higher income group for inner city housing. The formation of new middle class and their distinctive preferences are the issues that have been discussed within the scope of driving agents of gentrification in cultural argument. According to the consumption side arguments, the new middle class are the patrons and clients of postmodernism and

consumption. This consumption is the driving force of gentrification. At this point, the consumption side explanations neglect the economic component of the process and importance of financials and investors which particularly gain more importance in the gentrification of neoliberal city. On the other hand, all the issues of cultural argument are heavily related to first wave of gentrification in İstanbul. However, driving mechanisms took a different form in the second and third wave which occurred in Fener Balat neighborhoods and cultural argument remains incapable to explore the whole process. Therefore, this part intends to determine the differences between the waves of the process in İstanbul through analyzing driving forces of cultural argument.

Urban geographer David Ley is the leading representative of cultural argument which represents the liberal humanist perspective. According to the cultural argument, the primary agent of gentrification is people more than capital. Ley (1996) identifies a new middle class as gentrifiers who are well-educated, well-paid managerial people. These gentrifiers moved into the inner city cores because of the desire of different urban experiences. This new class may not only move to center for this urge but also to commit time for work or to assess the investments potential by renovating the houses in city centers (Mills, 1988).

While people are the driving forces of the process according to this theory then money follows people. For this reason, theory focused on these people who are named as "new" middle class. Who were they and what were the points that make them to prefer city cores?

Accordingly, the argument looks at the factors that lead to the formation of new middle class. One of the discussed factors is the growing of the white collar employment sector. From the economic perspective, the declining role of unskilled labor in production process and growing importance of technology in factories thus increase in office workings were breaking points in the 20th century. These processes resulted with the growth of white color workers. Ley (1996) linked this shift from goods producing sector to a service producing sector and decline of manufacturing industry while office working was rising of (Hamnett, 1991) to the formation of a new middle class discussed in literature. This "white collar" employment sector have gentrified inner city neighborhoods due to the "spatial proximity", thus to reduce the time of transportation from home to work. The explanation sees the property activity as stimulated by market power of new class which is a product of changes in economic and demographic structure (Hamnett, 1991).

Theory accepts the new middle class as the patrons and clients of postmodernism and conspicuous consumption which are the most important driving forces for gentrification. Ley indicates this as :

"Job growth in the white collar complex of downtown head offices, producer services and indirectly public institutions and agencies ...leads to the production of professionals, managers and other quaternary employees working downtown, who then provide the demand base for housing, reinvestment in the inner city ...this population as it gives political and economic expression to its own predilection to urban amenity, will restructure the built environment and accelerate the gentrification process."(Ley, 1986, p.532 cited in Hamnett, 1991)

Further factor is another significant economic and social change in the postwar years: the dramatic rise in female labor-force participation rates. The women have been employed with the professional and managerial jobs in the city centers and they have desired to live in neighborhoods close to their works in order not only to reduce the commuting costs but also as a *"a solution to problems of access to work and home and of combining paid and unpaid labor"* (Warde, 1991, p.229 cited in Linds and Hellström, 2003). Because of their careers, women postponed marriage, childbearing and not looking for suburban lives (Bondi, 1991 p.1982 cited in Linds and Hellström, 2003). Butler and Hamner also pointed out this factor within the formation of new middle class:

"...not solely a class process, but neither is it solely a gender process. It involves the consumption of inner city housing by middle class people who have an identifiable class and cultural formation, one of whose major identifying characteristics centres around the occupational identity of its female members" (Butler and Hamnett, 1994, p. 491).

A similar analysis was thought for gay and lesbian population as agents of gentrification. Castells pointed out homosexuals as the gentrifiers:

"Many were single men, did not have sustain a family, were young and connected to a relatively prosperous service economy ". (Castells, 1983 p.160)

Other driving agent mentioned in the cultural arguments is artists. Artists often play a significant bridging role in the gentrification process (Ley, 1996; Zukin, 1995). Artists also acted as pioneers in the early phases of gentrification process in İstanbul. Ley (2003) establishes a key relationship with the components related to the artists: first components is the type of capital held by artists and second is their position in the dominant class. The artists are the members of middle class with limited economic capital and rich cultural capital (Ley, 2003). They prefer impressive historic neighborhoods due to their "authenticity" and affordability. According to Ley (2003), difference and authenticity of craft production in historic settlements attracted the artists. They prefer these "authentic"

inner city areas where they perceive as distanced from a "suburban" life (Ley, 1996 cited in Macdonald and Chai, 2007). Moreover, the housing stocks of these neighborhoods were favorable for their studios, artistic spaces and venues due to their proximity to center and low costs.

Briefly, according to the consumption side arguments, the new middle class is the main driving force of gentrification. It is my contention that, the existence of a pool of new middle class –potential gentrifiers – is a necessary pre-request for the launch of the process, but not sufficient. If there is no potentially gentrifiable housing stock and eager investors, this new middle class cannot be adequate. Thus, the consumption side explanations are inadequate in order to evaluate gentrification process.

2.1.2.2 Supply Side (Production Side –Economic Argument)

Supply side explanations of gentrification focus on investors who look for profit in decay city cores and they are dominated by "*rent gap theory*". Factors as striking agents discussed in the literature within the scope of economic argument are the investors who want to gain profit from "*rent gap*". Therefore, according to the production side arguments, "rent gap" is the main driving force of gentrification. The production side explanations neglect the cultural component of the process as well as the importance of people's preferences and have the materialistic interpretation.

Similar to the cultural argument's driving forces, primary agents of gentrification according to the economic argument also lead to gentrification process of İstanbul in the first wave. Therefore, driving agents of cultural argument (people) and economic argument (capital) play a complementary role in the first wave of gentrification in İstanbul. On the other side, new agents and actors emerged in the second and third waves that raised in Fener Balat neighborhoods. This part intends to determine the differences between the waves of the process through analyzing driving forces of economic argument.

Geographic Neil Smith has been the leading exponent of the economic argument which accepts the developers as the driving force of the process. Smith's supply side theories are dominated by "*rent gap theory*". Rent gap can be defined as the measure of the difference between site's present value and its potential "capitalized value". When older core area neighborhoods decay, the property values decline and a gap emerges between the current rents and area's potential rents at "best use". When this gap expands enough, developers move into area and reinvest the neighborhood. Smith defined the process as:

"Capital flows where the rate of return is highest, and the movement of capital to the suburbs, along with the continual de-valorization of inner-city capital, eventually produces the rent gap. When this gap grows sufficiently large, rehabilitation (or, for that matter, redevelopment) can begin to challenge the rates of return available elsewhere, and capital flows back in. Gentrification is a back-to-the-city movement all right, but a back-to-the-city movement by capital rather than people" (Smith,1996, p. 70).

The key phrase of theory is the highest and best use of property. Both capitalized and potential land rents start at the same level when a parcel is developed. Over time, capitalized rents of the parcel decline due to disinvestment. However, more capital moved into the metropolitan area during the growth of the city. The gap between capitalized and existing rent may result with significant profit through the reinvestment (Hammel, 1999).

The rent gap theories connected to a long tradition of Marxist economic theory including much work on land (Hammel, 1999). The theory focuses on the investors seeing profits by renovating old buildings or builds new ones and rent them out at higher values to people able to pay. This causes the displacement of existing residents who unable to pay high rates, hence, the social character of the neighborhoods changes.

Many researchers followed these ideas. Clark (1992) attaches the initial economic pressures to disinvest in a site. Clark asserts that profitable redevelopment can form when the gap becomes large enough. According to him, redevelopment involves a rise in capitalized land rent towards the level of potential land rent, although speculation may narrow the gap prior to redevelopment taking place (Clark, 1987 cited in *Lind and Hellström,2003*).

To sum up Smith concluded that :

"The so-called urban renaissance has been stimulated more by economic than cultural forces. In the decision to rehabilitate inner city structure, one consumer 's preference tends to stand out above the others – the preference for profit, or, more accurately a sound financial investment .Whether or not gentrifiers articulate this preference, it is fundamental, for few would even consider rehabilitation if a financial loss were to be expected. Theory of gentrification must therefore explain why some neighborhoods are profitable to redevelop while others are not ? What are the conditions of profitability? Consumer sovereignty explanations took for granted the availability of areas ripe for gentrification when this was precisely what had to be explained ". (Smith, p.57,1996)

According to Ley's theory, the cultural and consumption requirements of the gentrifiers are the main striking at the gentrification process. The production side was recorded as the

secondary role. On the contrary, Smith argues that production side which involves the builders, investors, developers, landlords, government agencies and real estates, has the primary role on the process. However, these two arguments are not adequate solely to understand the whole process.

2.1.2.3. A holistic Approach

With respect to the focus of this thesis, in line with other authors (Hamnett, 1991; Lees, 2004; Slater, 2006; Silver,2006), I argue that the movements of people and capital should be examined simultaneously. Gentrification must be seen in the context of the social (demand side) and economic (supply side) circumstances of the city as a whole.

Table 2.3 . Shows the critics of demand side and consumption side theories (Lees, 1994;Atkinson and Bridge, 2005; Hamnett 1991; Slater, 2006;Lees,et al, 2008;)

ARGUMENTS	CRITICS
Demand Side	<ul style="list-style-type: none"> - Neglect of supply side - Neglect of financials and investors seeing for profit - Neglect of "capitalize" city.
ARGUMENTS	CRITICS
Consumption Side	<ul style="list-style-type: none"> - Special power given to capital. - Neglect of demand side and people's preferences. - Materialistic interpretation. - Under expression of why some neighborhoods don't gentrify despite rent gap occurs. - Based on abstract concept 'best use' that is difficult to measure.

In recent years, researchers attend to integrate production and consumption sides' explanations. They have seen the driving agents more complementary rather than competing.

The debate became less polarized within the years. Zukin's Loft Living was one of the first attempt to integrate two different explanations (Lees, 1994). The economic side was capitalist uneven development and the cultural side was Zeitgeist for aesthetics (Lees, 1994). Zukin saw culture within the markets and political economy approach and accepted culture as superimposed *is made subservient to capital and only seen to be significant within accumulation activities* (Lees, 1994). Also, Rose (1984) argued for the integration of two explanations on economy and culture. She looked the production of gentrifiers and lifestyles besides looking the production of gentrifiable property. Rose argued that it is a chaotic process which involve more than one driving force (cited in Lees, 1994).

Smith (1986), as the leading of the economic argument, also accepted that consumers' preferences had some role but its impact was very superficial. He attempted to integrate the de-industrialization of capitalist economics, increase of white –collar employment and the demographic consumption changes into rent gap theory (Hamnett, 1991).

"Changes in demographic patterns and life style preferences are not completely irrelevant but...the importance of demographic and life style issues seem to be chiefly in the determination of the surface form taken by much of the urban restructuring rather than explaining the fact of urban transformation. Given the movement of capital into the urban core, and the emphasis on executive, professional, administrative and managerial functions, as well as other support activities, the demographic and lifestyle changes...help to explain why we have proliferating quiche bars rather than Howard Johnstons trendy clothes boutiques and gourmet food shops rather than comer stores." (Smith, 1986 p.31 cited in Hamnett, 1991 p.183)

While this view ignores the arguments put forward by Ley (1996) which highlight the importance of culture on consumption in gentrification explanation, Smith accepts that it is important to define changes in the production and spatial division of labor in producing professional and managerial workers in the city, but he fails to address the reasons why this group locate in the core (Hamnett, 1991)

Hamnett (1991) argues that both of two dominated theoretical perspectives on the gentrification are the parts of the whole process and focus on different aspects to the neglect of other, have equally crucial elements. In his article, "The Blind Men and The Elephant " whose name actually perfectly defines the existing situations of debates on gentrification, Hamnett tried to combine two theories to understand the whole process.

According to Hamnett (1991), there are four requirements for gentrification to occur on a significant scale. The first three are, respectively, formation of suitable areas, formation of potential gentrifiers and the existence of attractive core city. The last one is the preference of a certain class to live in city centers. He agrees that the rapid expansion of the professional and managerial class mean potential gentrifiers that are the key group for gentrification according to consumption side theories depend on the processes of the production and concentration of key fractions of service class. Hamnett points out that the conflict has been between the two interpretations of production. The explanation of the production of potential gentrifiers and their consumption is not sufficient to understand the whole process just like the rent gap theory is not.

Loretta Lees (1994) also refuse to be restricted to either a Marxist economic (*supply side*) or postmodernist cultural (*demand side*) explanations, but to combine them:

"In the theoretical battle between Marxism and postmodernism neither has achieved the upper hand but, more importantly, the battle has identified some of the problems which exist within and between both analyses. Therefore the way forward, the way which avoids the theoretical stalemate found in the battle between both conceptualizations, is to inform both Marxism and postmodernism through each other in the articulation and comparison of their ideas" (Lees, p.142, 1994)

According to Lees, despite different ways of supply and demand arguments, both of them explain the politicization of interest groups and are actually two sides of the same coin. The Marxist model of two class struggles and the identification of new class are the elements of equation. Identity is the common expression of economic and cultural expression of two arguments.

In terms of the different ways in which economically determined and culturally determined analyses explain the politicization of interest groups, there is a productive tension at the point where economic and cultural appropriation meet. For the ide

ntity of the politicized classes/groups is established and expressed through the dialectic of economic and cultural appropriation.(Lees, 1994)

Lees compare and analyze two sides in terms of their gentrification agents' expressions too. Duncan and Ley (1982), argue that reinvestment would not occur if there is no sufficient demand. Because, the property may be too risky to reinvest for the investors. On the contrary, Smith argues that investors' preferences have the major role in reinvestment rather than consumers (Lees, 1994). As a response, Lees argues that process has an economic and

cultural side. Landlords for their own personal reasons may decide to sell their houses to developers either artists (*or new middle class*) can decide to move city centers (Bowler and Mc Bury, 1991, cited in Lees, italics are added).

That is to say, recent studies consistently argue that gentrification should be understood with a holistic approach.

"...to understand gentrification, to examine the movements of both capital and people, to see gentrification in the context of the socio-economic circumstances of the city as a whole, and...to situate the city in the context of broader, more global forces of socio economic change " (Silver ,p.11, 2006)

2.1.3 Impacts of Gentrification - Positive or Negative –

In this part I introduce the both sides of arguments that see the impacts of gentrification as a positive or negative process. It is essential to understand the negative and positive impacts of gentrification process in order to contribute the benefitting methods and to search the benefitting capacities of actors. Further, this part intends to provide a basis to analyze the impacts of the projects in Fener and Balat neighborhoods.

In recent years, discussion about gentrification came to a different point. Some researchers see the process as a source of positive urban upgrading that raises the status of area and increases economic activities and investments. Others claim that when higher income moves in, low income can no longer afford to live in the neighborhood and move out. Table 2.4 indicates the comparison of different arguments.

Table 2.4. The arguments which see gentrification as positive or negative process (Atkinson and Bridge, 2005; Slater, 2006 Lees, et al, 2006;)

POSTIVE SIDE ARGUMENTS	NEGATIVE SIDE ARGUMENTS
Spatial -Rehabilitation of declining areas	
Spatial -Rehabilitation of area without public support	Displaced residents can't benefit
Social : Creates social mix, liberating , emancipator cities	Creates conflict, and revanchist cities

Table 2.4.is continuing-The arguments which see gentrification as positive or negative process- (Atkinson and Bridge, 2005; Slater, 2006 Lees,et al, 2006;)

Social : Displacement is rare in neighborhoods	They don't move because of tightening house market Direct displacement may be rare but there is "exclusionary displacement" To measure displaced residents mean measuring "invisible".
Social - Decrease in crime rates	Increase in crime rates, because of growing population of high income attracts robbery
Economic. Accelerating in Economic Activities New investment	Commercial Displacement
Economic -Increase in urban population will increase demand for municipal services which led to municipal employment ..	A mixed income community means that cities pay less for services which led to municipal welfare, public housing and other service, because people fewer require.
Ownership -Increase in property values	Loss of Affordable Housing - Increasing Pressure On Tenants

2.1.3.1. Gentrification in Positive Perspective

Positive perspective highlights several improvements in terms of spatial, social, economic and ownership structures of the neighborhoods. Argument underlines the rehabilitation of declining areas, acceleration in economic activities, attracting new investment, creating social-mix communities, rise of property values and decrease in crime rates. Looking at positive perspective shows that argument does not describe social transformation as an urban problem and overlooks the improvement of social, economic and ownership conditions' of long term residents. Thus, the perspective asserts that the improvement of existing inhabitants' living conditions can be ignored if gentrification could succeed spatial and economic improvement. However, social development is one of the main components of the regeneration process. Besides, not to provide social development of long term residents dilapidate to the social authenticity of neighborhoods as well as causing traumatic experiences for low income inhabitants.

The crucial point of the positive perspectives is the under expression of displacement. Arguments focus on revitalization of neighborhoods, conservation of historic heritage,

economic improvement, social-mix communities and safer inner city. Positive perspectives, generally point out that gentrification does not mean displacement or at least "*involuntary displacement*". According to the argument, its negative impacts on poor can be overlooked for its positive impacts such as preventing decay in architecturally valued houses, accelerating economic activities or decreasing crime rates

First of all, not all definitions of gentrification include displacement of the lower income residents. The supporters claim that gentrification may not be resulted with displacement or displacement may not have negative impact. That is to say, the key point of the debates is if displacement is an important factor or relatively unimportant. Vigdor (2002) points out that if lower income can afford to move elsewhere or attached to the neighborhood or higher income move into vacant, newly constructed properties then displacement is not the outcome of gentrification.

Also proponents of gentrification claim that although mostly displacement is discussed as the worst impact, there is little empirical evidence about it. When social scientists attempted to measure displacement in gentrified neighborhood, their findings failed to find evidence of widespread displacement (Sumka, 1979 cited in Freeman, 2005)

In displacement discussions, one point is high lightened by the researchers who see gentrification as a positive process for urban space. They assert that displacement cannot depend only on gentrification. That means displacement can be just "moving". They assert that statistical studies about displacement on gentrified neighborhoods do not involve moving reasons so it cannot be said that they move because they can't afford. The proponents claim that relationship between displacement and gentrification is not so strong and life cycle factors are the major catalyts of discrepancies which causes residents mobility (Rossi 1980; Speare 1974 cited in Freeman 2005). There, life cycle factors are defined as :

"Life cycle factors refer to major life events, such as taking a new job, getting married, or having a child, which are likely to trigger a change in one's housing needs and necessitate moving. An individual's age, gender, marital status, and parental status will serve as proxies for the life cycle and will be included as control variables in the analysis" (Freeman, p.475, 2005)

More than this, supporters even claim that gentrification can reduce the mobility rate of residents because of favorable conditions of gentrified neighborhoods and kind interactions with new "different" comers. Perhaps it will even give some poor people the benefits of a

middle-class neighborhood without requiring them to move from middle-class community (Byrne, 2003; Duany, 2001).

Furthermore, some proponents have argued that the process is good even for its displaced victims. A massive article by architect Andres Duany "*Three cheers for gentrification*" involves advantages of displacement for cities.

"Gentrification rebalances a concentration of poverty by providing the tax base, rub-off work ethic, and political effectiveness of a middle-class, and in the process improves the quality of life for all a community's residents. It is the rising tide that lifts all boats." (Duany,p.36, 2001)

Another similar contribution made by Byrne(2003) in "Two Cheers for Gentrification". Bryne argued that gentrification benefits low-income residents economically, by expanding more employment opportunities in providing locally the goods and services that more affluent people can afford. Politically, by creating urban political fora in which high and low income interact in a democratic process and socially, as new higher incomes will rub shoulders with poorer existing residents on the streets, in shops and within the local institutions, such as public schools (cited in Slater, 2006)

Thus, in positive side, gentrification will not cause social conflict or revanchism, on the contrary it will form an exciting mix of different classes and groups which is called as "social mix". In other words, proponents of gentrification have argued that the process involves little or no displacement and its benefits for cities are far outweigh then its costs imposed on a few unfortunate poor households.(Sumka, 1980 cited in Newman and Wyly, 2006)

Hence, the most highlighted benefit of the process is the rehabilitation of architectural fabric and upgrading of urban spaces. The general benefits of renewal have wider impacts. For example, physical fabric can be upgraded by new higher incomes without public subsidy (Atkinson, 2003). Secondly, improvements of neighborhoods attract investment and alter preconceptions about the social structure of the neighborhood (Atkinson, 2003)

Another issue pointed by supporters is lower crime rates in gentrified neighborhoods .They assert that creating social-mix and dispersing concentration of poverty and joblessness lead to safer neighborhoods (Vigdor, 2002).

A further projected benefit is increasing rates of properties. Surely, this can be regarded as a benefit for homeowners. The supporters point out that the return of wealthy class to the central city, associated increases in property values and in return the governments tax base.

"... Increases in land values present property tax-dependent local governments with additional resources, which might translate into improved services or lower effective tax burdens for poor residents" (Vigdor,p.144, 2002)

That is to say, the common point of positive side is under expression of displacement. Thus, gentrification is a positive process which leads to physical upgrading, concentration of poverty, economic improvement, and safe neighborhoods. But a question emerges at this point: Benefits for whom? The missing point of arguments is the target group of positive impacts. Namely only new comers and a part of former households can benefit from these upgrading. On the other hand, the impact of the upgrading on low-income households or tenants remains obscure.

2.1.3.2 Gentrification in Negative Perspective

Negative perspectives underscore that gentrification leads to sharp increase in property values and rents which in turn, causes the loosing of affordable housing, alienation of residents and unfair transfer of inhabitants. Argument points out that regeneration should involve spatial, economic, social improvement and it should develop ownership strategies for existing inhabitants. Thus, negative side has holistic perspective on gentrification process which also encompasses the necessity for the preservation of existing social structure. It is also my contribution that to neglect existing low income families and demolition of social structure in order to succeed physical upgrading, dilapidate the authenticity of the historic inner city.

The most significant objection of negative side is the displacement. Displacement is defined, widened and classified in discussions. Displacement is asserted as a traumatic experience for residents which may lead race and conflict in urban space.

Harassment and eviction act as a key mechanism through which displacement is achieved (Atkinson, 2004). Tenants are displaced when their tenancy comes to an end or where a landlord seeks eviction to gain vacant possession of a dwelling (Atkinson, 2004). However, such has been the ferocity of price increase in many neighborhoods that landlords have also sought to remove tenants via a range of illegal means, either in order to sell the property or to acquire higher rents(Atkinson, 2004). The loss of home has been identified in qualitative

studies of gentrification as a psycho-social cost for tenants (Chan, 1986) but this is exacerbated where the harassment has been used to remove tenants. This is one of the true hidden costs of gentrification – the sense of loss for a home (Atkinson, 2004).

In contrast to the proponents who see the process positive for declining city cores, the negative side argues that its costs can be so staggering. For Betancur (2002), gentrification is not about the social mix, emancipator, creativity, tolerance or "rubbing shoulders", but it is about arson, abandonment, displacement, "speculation and abuse" and class conflict. (Betancur 2002, cited in Slater, Lees and Wyly, 2006)

There are many types of displacement defined in literature. "Direct displacement" occurs when residents are forced to leave their homes by extreme forms like eviction or harassment (Atkinson, 1998). Indirect displacement occurs even though residents can stay if they want, they do not stay because they can't afford it. In indirect displacement rising property values and rents force people to leave their neighborhood. Not only tenants but also homeowners move because of increasing properties to gain economic profit by selling their homes and moving out. They don't hesitate to move because they don't feel at home anymore. Their friends, neighbors, shops have changed.

Marcuse (1985) described another kind of displacement, "exclusionary displacement" . Negative sides accept Marcuse's displacement definition as answer to proponents "there is no or few displacement in gentrified neighborhoods "claims. Negative views assert that the residents don't have alternatives to move elsewhere in tightening house markets.

"When one household vacates a unit voluntary and that unit is then gentrified...so that another similar household is prevented from moving in, the number of units available to the second household in that housing market is reduced. The second household, therefore, is excluded from living where it would otherwise have lived" (Marcuse,p.206, 1985).

At this point, even proponents of gentrification argue that displacement is staggering for the residents.

"...Moreover, although displacement may be relatively rare in gentrifying neighborhoods, it is perhaps such a traumatic experience to nonetheless engender widespread concern".(Freeman, p.480, 2006)

As a result, representatives of this side accept gentrification as a negative process for cities despite some positive impacts. Neuman and Wyly (2006) have expressed the views of negative side concisely :

"Low-income residents who manage to resist displacement may enjoy a few benefits from the changes brought by gentrification, but these bittersweet fruits are quickly rotting as the supports for low income renters are steadily dismantled" (Newman and Wyly, p. 2006).

2.2 Socio-spatial restructuring process between the 1940s-2000s

"The development of society is conceivable only in urban life, through the realization of urban society" (Lefebvre, 1974). Lefebvre asserted the argument that space is a social product and every social structure produces a certain space. Following his arguments, all kinds of social relations including class, family, community or state power were left unsupported unless they are *"specifically spatilized, that is made no material and symbolic spatial relations"* (Soja, p.9, 2000). Accordingly, Soja developed the socio-spatial dialectic that suggests the dialectical relationship between social structure and spatial structure.

"... That everything spatial is simultaneously, even problematically, social, it is much more difficult to comprehend the reverse relation, that what is described as social is always at the same time intrinsically spatial. This inherent, contingent and complexly constituted spatiality of social life land of history must be persistently forgotten or submerged" (Soja,p.8, 2000)

"Gentrification" is one of the most notable terms which directly embrace the relationship of social and spatial structure. Slater (2004) argues that gentrification now encompasses all processes related to the *"...production of space for and consumption by a more affluent and very different incoming population."* Similarly, Zukin argues the new middle classes' *"generally high educational and occupational status were structured by—and in turn expressed—a distinctive habitus, a class culture and milieu in Bourdieu's sense. Thus, gentrification may be described as a process of spatial and social differentiation"* (1987, p.131). Hackworth (2002, p. 815) also expressed the gentrification briefly but meaningful as *"... the production of urban space for more affluent users."* In other words, gentrification directly refers to the socio-spatial restructuring process.

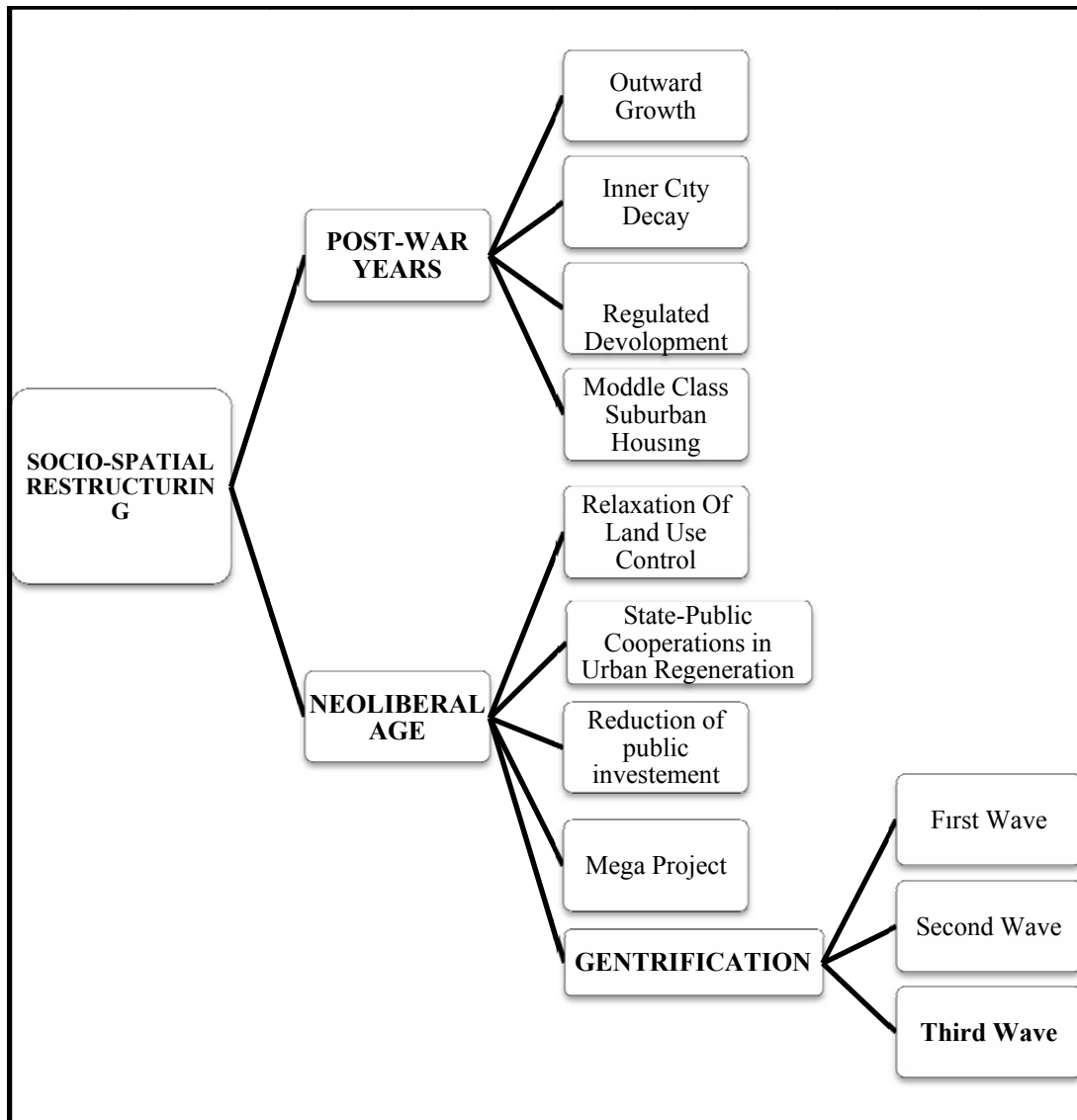
Gentrification began as a highly localized process in the 1960s. Investors and new middle class used downturn in property values and purchased houses in the inner city. Thus, socio-spatial restructuring process began in the historic cores. However, gentrification evolved within the years and it has now become a *"crucial urban strategy for city governments in consort with private capital"* (Smith, p.93, 2002). Different from the early phases, contemporary gentrification is defined as the aim of the urban regeneration projects that are implemented by the governments within the frame of neoliberal policies (Hackworth and

Smith, 2001; Smith, 2002; Slater, 2006; Porter and Shaw, 2009). According to this view, governments target a change in social structure through the upgrading of spatial structure.

The expression of socio-spatial restructuring in neoliberal age is the fundamental of this part. Evaluation of the relationship between neoliberal governance and gentrification also applies the expression of relationship between Fener-Balat Neighborhoods Regeneration Project (FBNRP) and gentrification. In this way, study intends to distinguish FBNRP, whose main involved actor is the government, within the framework of the contemporary gentrification. It provides a basis to assert why the planning approach of Fatih Municipality has changed in FBNRP. That is to say, this part aims to define the roles and aspects of the government as an actor of RFBDP and FBNRP and intends to answer how and why the planning approaches of local governments change/differ in the Fener and Balat urban transformation areas.

This chapter mainly uses a deductive expression method to frame a holistic perspective in a easier way. It begins with the brief review of socio-spatial restructuring process beginning from the postwar years to examine the distinctive of neoliberal urban restructuring and ends with the expression of the relationship between neoliberal governance and spatial restructuring. Following part, briefly explains the waves of gentrification before neoliberal age and final part explores contemporary gentrification in detail. Table 2.5 clarifies the relation of the parts and explanation order of the chapter.

Table 2.5: Explanation Order Of the Chapter



2.2.1 Socio-spatial restructuring – From postwar years to Neoliberal Age-

This part introduces a brief review of socio-spatial restructuring processes beginning from postwar years through the comparison of "Keynesian Spatial Fix" modeled by Harvey in 1982 and "Neoliberal Spatial Fix" modeled by Hackworth in 2006. This section explores the transformation of Keynesian “spatial fix” into neoliberal “spatial fix” and compares the characteristics of these two models. Looking to the historic changes is important for the study in order to analyze the distinctive of neoliberal socio-spatial restructuring process which also provides a basis for recent regeneration projects in Turkey.

Harvey's famous theorization of "spatial fix" for postwar years transformed to neoliberal model. In the Harvey's model, the post-war suburbanization was defined as the part of an overall strategy to create a long term cycle of growth which is supported by the commercial interests like automobile or consumer durable industries and by the state in terms of massive subsidies for ownerships, freeways and military bases that redistributed wealth across the country (Hackworth, 2006). The result of the Keynesian "spatial fix" were massive suburbanization and economic growth on the periphery of the cities. On the other hand, this growth caused economic decline in the inner city. Government policy supported this "spatial fix" which was the intersection of capital, policy and individual preference on urban landscape (Hackworth, 2006)

Table 2.6: The distinctive of Keynesian and Neoliberal spatial fix (based on Hackworth, 2006)

KEYNESIAN SPATIAL FIX	NEOLIBERAL SPATIAL FIX
Outward Growth	Reinvestment to inner city
Inner City Decay and Disinvestment	Relaxation of land use control
Regulated Development	State-Public Cooperation in Regeneration
Public Investment	Reduction of Public Investment
Middle Class Suburban Housing	Gentrified neighborhoods and Mega Projects

By the 1970s, this machine of growth began to transform and inner cores began to gain interest and investment. The 1990s were definitely important period on the transition toward neoliberal. In this period, that the era of "big government" was over (Lake, 1997 cited in Hackworth, 2006). Local authorities gained importance and more ability to act independently (Hackworth, 2006). This shift to neoliberal urban governance is the result of an institutional regulated and policed disciplining rather than an organic shift (Hackworth, 2006). In last two decades, inner city reinvestments began to be a part of wider global economic restructuring as the yield of neoliberalism.

This neoliberal restructuring, have had deep impacts on urban form. Consequently, Neoliberalism introduced a new kind of "spatial fix". On the one hand, the Keynesian city was characterized by the outward growth, inner city decay and disinvestment, regulated development and public investments. On the other hand, the neoliberal city is characterized

by the interests to the inner city, the relaxation of land use control and reduction of public investments if there is not much profit (Hackworth, 2006). If the icons of Keynesian city were public houses and middle class suburban housing, icons of Neoliberal city were gentrified neighborhoods and mega commercial projects which were aroused as global phenomena (Hackworth, 2006)(Table2.6). At this point, neoliberal urbanism mainly has two main distinctive. First is the de-valorization of inner suburbs and revalorization of inner core. Second, neoliberal city "spatial fix" that involve gentrification, became a global urban strategy for both developing and developed countries (Smith, 2002).

Table 2.7. Socio-spatial reflections of neoliberal governance.(Smith, 2002; Hackworth, 2006)

NEOLIBERAL GOVERNANCE	SOCIO-SPATIAL REFLECTION
<ul style="list-style-type: none"> - Abandonment of Keynesian form demand management. - Dismantling of welfare services, withdrawal of state support from neighborhoods. 	<ul style="list-style-type: none"> - Decayed, isolated, poor urban cores - Insufficient infrastructure, welfare and transportation services. - Poor environment conditions in declining inner cores.
<ul style="list-style-type: none"> - De-centralized form of governance, Increasing authorization of local states for urban development. - Introduction of policies to "promote", "selling" cities to attract capital - Partnerships between state and large scale private sector to "regenerate" decaying areas for profit. 	<ul style="list-style-type: none"> - Establishment of new forms of socio spatial inequality, polarization and territorial competition at global and local scales. - Reproduction of inner space according to preferences and conditions of high income.

Neoliberal urban policy has two defining features in order to achieve reinvestment to inner cores. First, it constructs urban places as "in decline", second it produces policies with the aim of restructuring and revalorizing urban space, where the success is measured by the rise in land values (Saunders, 2009). These features form the urban dimension of neoliberalism that introduces private interest in the competition of urban space.

To sum up, I argue that, to understand the socio-spatial transformation of urban space in neoliberal age, in a context of state-led gentrification, firstly it is essential to analyze how and why state has come to take an interest in reinvestment of inner city with private sector. Next chapter explains the phases of state intervention into the gentrification process since the 1960s.

2.2.2 Waves of gentrification between the years 1960 and 2000

In this chapter, I review the evolution of the gentrification process from the perspective of the state intervention to analyze the aspects of government in the FBNRP. This part also intends to provide a basis in order to define the waves of gentrification in İstanbul in line with the international literature. Hackworth and Smith (2001) summarized the evolving history of gentrification and asserted the changing role of the state with the waves of gentrification from the 1960s to the 2000s. The schema of waves has been developed according to the driving forces and involved actors which vary with respect to the economic and politic conjunctures. (Table 2.8)

Table 2.8: Schematic history of gentrification (Hackworth and Smith, p. 467,2000)

1993-1999	THIRD WAVE	Gentrification returns: Prophecies of degentrification appear to have been overstated as many neighborhoods to continue to gentrify while others, further from the city center begin to experience the process for the first time. Post-recession gentrification seems to more linked to large-scale capital than ever, as large developers rework entire neighborhoods, often with state support.
1988-1993	TRANSITION	Gentrification slows: The recession constricts the flow of the capital into gentrifying and gentrified neighborhoods, prompting some to proclaim that a "degentrification" or reversal of the process was afoot.
1978-1988	SECOND WAVE	The anchoring of gentrification: The process becomes implanted in hitherto disinvested central city neighborhoods. In contrast to the pre 1973 experience of gentrification, the process becomes common in smaller, non-global cities during the 1980s. In New York City, the presence of the arts community was often a key correlate of residential gentrification, serving to smooth the flow of capital in the neighborhoods like SoHo, Tribeca and the Lower East Side. Intense political struggles occur during this period over the displacement of the poorest residents.
1973-1977	TRANSITION	Gentrifiers buy property: In New York and other cities, developers and investors used the downturn in property values to consume large portions of devalorized neighborhoods, thus setting the stage for 1980s gentrification.
1968-1973	FIRST WAVE	Sporadic Gentrification: Prior to 1973, the process is mainly isolated in small neighborhoods in the north eastern USA and Western Europe

This part composes of four sub-parts. Firstly, study examines the waves of gentrification during the last five decades. The second part explores the motivations and methods of states for initiating the process. The final part includes the evaluation of sub-parts.

Table 2.9: Shows the different actors of gentrification in different periods

** Referred to the first phase of gentrification (Davidson,2008; Rérat,Söderström Piguet and Besson, 2009)

ACTORS OF CLASSIC GENTRIFICATION **	ACTORS OF CONTEMPORARY GENTRIFICATION
<p>A1. New Middle Class</p> <p>A2 . Growing in White Collar Employment</p> <p>A3. Rise in Female Labor</p> <p>A5. Artists</p> <p>B1. Investors / developers (small –medium scale)</p>	<p>C1.State – Urban regeneration Policies</p> <p>C2 .Large Scale Real Estate Sector</p>

Gentrification evolved during the last five decades. It is quite different today from its definition made by Glass in the early 1960s (Lees, 2000; Hackworth and Smith, 2001). The character of gentrification has changed dramatically due to the several factors including economic restructuring, state intervention, rent gap of rust belt zones and windfall profits of developers who reinvest city cores (Sabri and Yaakup, 2008).

Hackworth and Smith (2001) summarized the evolving history of gentrification and asserted the changing role of the state with the waves of gentrification from the 1960s to the 2000s (Table 2.8)

The first gentrification wave was characterized by sporadic government-led interventions to dispose private market disinvestment in city cores, with concurrent maintenance of public housing and other social service programme. These instances of gentrification were highly localized and significantly funded by public sector (Hamnett, 1973; Smith 1979). Local and national governments sought to counteract the private market economic decline of the neighborhood(Smith, 2006). Conditions generally got worse for the urban working class because of such an intervention (Smith, 2006)

After the economic recession that settled through the global economy between 1973 and 1977, developers and investors used the downturn in property values and reinvested the central city. This period is named as a transition period and set stage for the 1980s gentrification.

Second wave of gentrification emerged when depressed market began to revive in the late 1970s. Gentrification surged as never before in this wave. In this period, local state efforts to encourage private sector investments *rather than directly orchestrating gentrification* (Hackworth and Smith, 2001). Second wave, *the anchoria phase*, did not occur only in the largest cities like New York or London but it became a global phenomenon that arises also in developing countries. This phase is distinguishing in terms of integration of gentrification into a wider range of economic and cultural process at the national and global scales (Hackworth and Smith, 2001). In the late 1980s, the flow of capital into the gentrified neighborhoods slowed due to the economic recession and "de-gentrification" was witnessed. This nearly five year period which ended in 1993 is a transition period between second and third waves. Next part explores the recent phase of gentrification (contemporary gentrification) whose explanation also involves the features of recent regeneration projects in İstanbul.

2.2.3. Third Wave Of Gentrification -Contemporary Gentrification-

"More than ever before, gentrification is incorporated into public policy—used either as a justification to obey market forces and private sector entrepreneurialism, or as a tool to direct market processes in the hopes of restructuring urban landscapes in a slightly more benevolent fashion." (Wyly and Hammel, 2005, p. 35)

Third wave gentrification that has been occurring since the early 1990s named as "generalized gentrification" is identified as a component of neoliberal urban strategy (Hackworth and Smith, 2001). Hackworth and Smith (2001) mention that the post-recession gentrification is distinct from the earlier phases at least in four ways: First, it began to occur in remote neighborhoods other than city cores. Second, gentrification shows an increasing globalization of real estate sector and this made larger developers to become one of the actors of the process (Logan 1993; Coaklen, 1994; Bell 1994 cited in Hackworth and Smith, 2001). Thirdly, anti-gentrification movements have declined because of the morphing of the most militant anti-gentrification groups into housing service providers. Finally, and the most relevance to this study, the state is more involved in the process in comparison with the first and second waves. Gentrification has now become a '*crucial urban strategy for city*

governments in consort with private capital.”(Smith, p.440, 2002). Third wave gentrification is "*purser expression*" of the economic conditions and economic forces seem to have eclipsed cultural factors as the scale of investors and co-operations have grown (Hackworth and Smith, 2001)..

Although, gentrification has always had a longstanding and symbiotic relationship with public policy beginning from the 1960s to today, governments intervention grow in the last decade and role of state changed within the years. During the third wave of gentrification, the process has become fully and affirmatively incorporated into the public policy (Lees, 2008). The main driver of the gentrification became public policy which seeks to use "positive gentrification" and encouraged it under the name of urban "renaissance "(Cameron and Coaffee 2005, Lees 2008). Gentrification evolved into an urban strategy for city governments in the name of urban regeneration policies, together with the capital in cities around the world (Smith, 2002). Urban regeneration policies as driving mechanisms for gentrification across national boundaries and form global urban competition (Smith, 2002).

Since the "regeneration" recalls the upgrading and recovering of the decayed, poor neighborhoods, became a popular term that states like to use in third wave of gentrification. Discursive regeneration policies also use "trend" terms such as " economic competitiveness", "responsive governance" and "social cohesion" to create positive connotations. However, the physical upgrading is only one face of the larger economic, social and spatial restructuring process through the regeneration projects (Porter and Shaw, 2009). Smith (2002) addresses the aspects of urban regeneration policies that are hidden in positive terms through his assertion that "*enveloped as regeneration, gentrification is recast as a positive and necessary environmental strategy*"

Another characteristic of the post-recession gentrification is the partnership of state and private sector in urban land development. There had of course been public-private partnerships previously, but in this phase the scale and character are different (Hackworth and Smith, 2001). First, the scale of real-estate developers enlarged through the complicated finance networks. Second, the local governments provided distinctive financial and legal incentives to private sector for developing urban land through these co-operations (Hackworth and Smith, 2001).

There are many aspects of strong state-interventions during this contemporary phase of gentrification. In the third wave, governments, particularly local governments' intervention grew for many reasons. First, the private market expansion of gentrification has exhausted itself (Smith 2002). For this reason, state assistance to private sector that is not eager to

invest in economically risky areas, gained importance to regenerate underdeveloped neighborhoods (Smith,2002). It is also the result of the Keynesian government and the rise of the "entrepreneurial" local state (Harvey 1989 cited in He, 2007) through the programme that support private sector rather than direct subsidy. Reduced federal distribution to local governments also forced municipalities to embark on partnerships with private developers (Hackwarth and Smith, 2001;Smith, 2002). Besides, the enthusiasm of the municipalities for urban "renaissance" is stimulated since the proportion of revenue under local control is increased (He, 2007). Municipalities have to endeavor for investments from the market. This change caused an urban competition between the local governments. In parallel to this, Oi (1999) and Walder (1995) put forward the concepts of "local state corporatism" and local government as "industrial firms" to express this new strategy of local governments (He, 2007). Thus, the role of local governments transformed from a complementary one that supported state project to a more proactive one that prepares local development strategy (He, 2007)

Predominantly invested by private sector, a new form of housing redevelopment involving residential displacement has been formed to meet the requests of local state and private developers for economic and urban growth (He, 2007). The projects aim at restructuring in the urban land with an obvious preference for economic interests by attracting high income rather than a preference for social interest through original low-income residents (He, 2007). These redevelopment projects present on updated version of gentrification is named as *"state-led gentrification "*.

State intervention into gentrification process occurs in many stages (Table 2.10). In the last decade, changes in fiscal and administration systems, land reforms, laws, housing reforms empowered the local state with strong decision-making rights in local development, particularly in developing countries. The role of state in gentrification process in terms of initiating and facilitating can be defined from many aspects. On the one hand, gentrifiers are stimulated by market –oriented reforms in terms of housing consumption. Then developers became eager to reinvest inner-city. On the other hand, after the adoption of land leasing, the state creates opportunities for capital accumulation through property development (He, 2007). Beside these, laws are re-arranged in favor of developers. Thus, investors and developers follow the opportunities and bring capital to gentrify city cores. Furthermore, inner city is declared as insecure, decayed, deprived (Shaw, 2007) and residents are declared as people who don't deserve to live in historically valued houses to excuse gentrification.

Table 2.10 The forms of state intervention into gentrification process (Source: modified table of He, 2007)

STATE INTERVENTION		
DEMAND SIDE DRIVERS	SUPPLY SIDE DRIVERS	INSTUTIONAL DRIVERS
A. Stimulating the housing demand of potential gentrifiers infrastructural and transformational upgrading, cultural activities. Attract middle/high class by advertising the historic value of decayed neighborhoods	B. Channeling the inflows of capital by marketing of rent gap to large scale developers	C. Rearranging laws in favor of Driver private sector and tackling the problem of fragmented property rights
A1. New middle class	B1. Investors/developers	C1. Urban Regeneration Policies – (Legal Arrangements, Tax Reliefs, Financial Encouragements)
A2. White Collar Employment	B 2 .Rent Gap	
A3. Female Employee		
A4. Homosexuals		

The level of state intervention changes due to many criteria such as developing degree of the country, local characteristics of the area or the aspects of the actors. State intervention to urban reproduction can be conceptualized in two forms. First one is market-directing strategies that the table 2.10 represents can be defined as noisy forms of intervention. Second are market-obeying strategies, where state intervention has more silent role (Wyly and Hammel; Porter, 2009). By all means, strategies that seek to direct markets already obeying and supporting them.

Market directing strategies that are mostly seen in developing world, in cities like İstanbul, Johannesburg, Riyadh best exemplify how virulent the economic competitive turn into regeneration policy (Porter and Shaw, 2009). The policy intents are; to be a competitive world economic player, a city should have prestigious, expensive business and financial services and wealthy residents to provide a developed image (Porter and Shaw, 2009). Inner city decay and poverty are the major barriers to create this image. At this point, regeneration policies come to the stage as the brilliant innovations to save inner city. In these kinds of policies that concern to the case study of this thesis, the state is actively involved, indeed

coordinating, the assembly of the land for the real estate developers. The metropolises of developing world seek to join competition by using the tools of neoliberal urbanism. These large and rapidly expanding metropolises of the developing world, where the Keynesian welfare state was never significantly installed, the definitive link between city and social reproduction was never paramount, and the fetter of old forms was never cared for decently, passed into a new aggressive phase in the name of urban regeneration (Porter, 2009)

A further term aligned with third wave of gentrification is "new-build" gentrification which refers to the new building activities in the inner city instead of rehabilitating historic houses (Murphy, 2008; Davidson and Lees, 2009). New-build gentrification differs from the early definitions which involve the restoration of old housing stock by a new middle-class resident rich in social and cultural but lacking in economic capital but rather it involves the large, newly constructed apartment complexes and luxury residential estates where the gentrification has been conducted by a developer (Davidson and Lees, 2004). Davidson and Lees (2004) defines new-build gentrification as the gentrification of 21st century and argue that it is also within the scope of third-wave 'gentrification'. Hackworth (2001; 2002), also identifies the presence of new-build, corporate developments as one of the major features of post-recession gentrification. Cameron (2003) discusses a more aggressive form of new-build developments in inner-city Newcastle (United Kingdom) *which have been built over razed public housing and which therefore demonstrate an aggressive and strategic attempt by Newcastle City Council to attract the middle classes back into specific locations in the city centre* (cited in Davidson and Lees, p.1168, 2004).

Large-scale urban regeneration projects aiming at creating new attraction centers in historical urban space and deserted industrial areas are usually described with the terms such as "public and private sector partnership", "urban management" or "urban renaissance" which actually search the ways of land speculation in parallel to the efforts of socio-spatial restructuring (Shaw, 2009). For this reason the main intention of the regeneration projects that are implemented by private sector and supported by municipalities are not always to benefit existing population or rehabilitate the urban fabric, but to obtain a good share from the urban speculation. At this point, this study asserts that gentrification is a powerful tool for socio-spatial restructuring of poor neighborhoods which is camouflaged with urban regeneration.

2.3 Gentrification from the perspective of international declarations

Preservation approaches of international agencies have shifted from monument preservation to urban revitalizing since the 1970s. That is to say, conservation understanding evolved and widened. In addition to the conservation of remarkable monuments, the idea of conservation of socio-economic context of the monuments' surrounding and urban sites have raised in international preservation agencies. These global organizations and international funding agencies have began to promote revitalization projects that benefit existing low income families in order to provide preservation of social structure (Young, 2001)

In the earlier part, I have presented the relationship between the gentrification and neoliberal urban policy to examine the planning approaches in Fener-Balat Neighborhoods Regeneration Project (FBNRP). In this part, I introduce the progress of international awareness in benefitting existing residents from revitalizing projects that have been implemented in historic heritage sites. In this way, this part seeks to examine the basis of the planning approach of the international devices involved Rehabilitation of Fener Balat Districts Program (RFBDP)

This part consists of two sections. The first part expresses the progress of international declarations and recommendations in terms of their approaches for existing residents In this way, study seeks to understand the current perspective of international actors of RFBDP. Second part explores the story of Medina project in Tunis. Medina project is selected for two main reasons at this par. First, Tunis is the city of a developing country and experienced long term international intervention in Medina Revitalizing Project. Similarly, İstanbul is the city of a developing country and experienced international intervention in RFBDP. Second reason is related to the gentrification approach of Medina project's which resembles the approach of RFBDP.

2.3.1. Evolution of International Declarations and Recommendations

The idea of a "universal" heritage and formation of international co-operations emerged centuries ago. Jokeilehto (1996) expresses that the roots of the modern concept of universal heritage can be seen in *Antiquity* "the idea of identifying the seven wonders of World anticipated the World Heritage List of UNESCO ". The modern concepts of conservation embarked in the 18th century in Europe during the Ground Tours through the cross cultural exposures (Young, 2000). Travelers saw the

jeopardy of losing cultural and historical heritage and proposed an international assist to protect them (Jokeilehto ,1996). In the 19th century, various agreements were signed to establish the ownership of monuments during the wars (Young, 2000).

By the mid 20th century, global awareness in conservation raised and the monuments have been treated as historic documents. First time, International Congress on Modern Architecture (CIAM) brought on the necessity of conservation of cultural heritage in 1933 (Young, 2000). CIAM produced Athens Charter which relates modern architecture and urban planning but also included declarations on the protection and rehabilitation of historic centers (Young, 2000)

After the Second World War, re-planning of cities that were destroyed due to war came to the agenda. The reactions emerged against the destruction of cultural heritage and awareness concerning the urban fabric increased. In 1964, second congress of architects and technicians were conducted in Venice. They presented *a declaration on the fundamental principles of conservation and restoration of the architectural heritage, The Venice Charter*. In the first article of the declaration, it is mentioned that the conservation of monuments should involve the surrounding of the monuments and urban fabric. The historic monument embraces not only the single architectural work but also the urban or rural setting which documents a civilization, technology, culture or an historic event. This is valid not only for the great architectural but also valid for more modest works of the past which declares the living conditions of the past. Also, sixth article enlarges the scale of conservation and included historic settlements:

"The conservation of a monument implies preserving a setting which is not out of scale. Wherever the traditional setting exists, it must be kept. No new construction, demolition or modification which would alter the relations of mass and color must be allowed" (Venice Charter, 1964)

The evolution of conservation perspective in terms of social issues can be firstly seen in Las Normas de Quito (The Norms of Quito) in 1967. (Young, 2000; Sampario, 2007). This declaration has considered the socio-economic structure of the area beside the physical condition:

"Presumably, initial efforts aimed at enhancing the monumental heritage meet a broad area of resistance within the sphere of private interests. Years of official negligence and the impulsive zeal for renewal that characterizes the developing nations increase contempt for all traces of the past that fail to conform to the ideal pattern of a modern way of life. Lacking sufficient civic training to look upon social interest as an exaggerated form of individual self-interest and unable to appreciate what is best for the community from the objective standpoint of the public good, the inhabitants of a community, infected by the "fever of progress," are unable to gauge the consequences of the acts of urban vandalism recklessly carried on through the indifference or complicity of the local authorities".

UNESCO 1972 World Heritage convention was a critical threshold in terms of conservation philosophy development. By the mid 1970s several declarations and recommendations were produced based on the UNESCO 1972 World Heritage convention (Young, 2000). The Declaration of Amsterdam (1975) is also one of the most significant declarations which emphasized on the social structure of the historic areas:

"The rehabilitation of old areas should be conceived and carried out in such a way as to ensure that, where possible, this does not necessitate a major change in the social composition of the residents, all sections of society should share in the benefits of restoration financed by public funds."(Declaration of Amsterdam,1974)

Another document is UNESCO 1976 Nairobi Recommendation that mentions the sustainability of social structure (Sampaio, 2007). The article 46 expresses that *"it is most important that safeguarding measures should not lead to a break in the social fabric."*

Another important charter is *The Petropolis Charter* which adopted by ICOMOS Brazil in 1987. Charter emphasized the social components in the definitions of conservation strategies through the reinforcement of citizenship, community participation and democratic administration of the city (Sampaio, 2007). The charter gave the priority to social improvement and preventing the displacement of the existing inhabitants in revitalizing projects:

"As a socially produced cultural expression the city adds rather than subtracts .Built space, thus, is the physical space result of the social productive process. Its replacement is not justified unless its socio-cultural potentialities are proven

exhausted. Evaluation standards for replacement convenience should take into account the socio-cultural costs of new environment."

In the same year, *Washington Charter* issued by ICOMOS General Assembly also underlines the necessity of existing residents and their participation for a successful conservation project:

"The participation and the involvement of the residents are essential for the success of the conservation programme and should be encouraged. The conservation of historic towns and urban areas concerns their residents first of all."

As a conclusion, since the 1970s several recommendations and charters have been developed by international organizations which stress the social indicators in conservation projects. The declarations mention that the needs of current inhabitants and benefitting methods should be integrated to the conservation projects in order to conserve the authenticity of the historic sites.

2.3.2 Rehabilitation of Hafsia in Tunis

Thus far, I have described the shift in conservation perspective in the international declarations. In this part, I present the rehabilitation of Hafsia quarter in Tunis where have had international interventions with a particular concern to existing low-income families in line with the international declarations' perspectives that is discussed in the earlier part.

Its programme involved specific strategies in order to improve socio-economic conditions of the existing residents and also in order to keep them in their neighborhood through creating several ownership alternatives. Namely, project developed a philosophy and policy for conservation projects (Young, 2000). Thus, the programme proved that low-income inhabitants of historic sites can also benefit from revitalizing acts through specific strategies.

Rehabilitation of Hafsia quarter in Tunis is one of the lead projects in terms of its gentrification approach. The city of Tunis was founded in the 7th century and was considered as a capital city in the Islamic World from 12th century to 16th century (Akrout-Yaiche, 2002). Tunis grew steadily in next 500 years within the walls of the Medina (Young, 2000). Throughout the 19th century railway lines and other "modern" services were installed outside the walls and thus a new era in development began for Tunis (Young, 2000). The expansion of Medina outside the old city and the development of economic

activities in new quarters resulted in the marginalization of much of the population and the old city itself (Young, 2000; Akrouit-Yaiche, 2002)

By the early 20th century, in response to city's rapid growth, decision makers and planners focused to integrate the modern city with Medina (Akrouit-Yaiche, 2002). One of the most remarkable projects was the implementation of a ring road replacing the old Medina wall. Afterwards, modern buildings in "European" style were built along the ring road. While the city was growing outside the walls, accesses to suburban quarters were developed (Young, 2000). On the other hand, rural migrants began as a result of the restructuring in agricultural practices and introduction of modern machinery (Amodei, 1985). These migrants mostly settled in the old inner core due to low values (Young, 2000). By the 1920s, old city became a neglect area for rural migrants with many buildings that were subdivided into one-room dwellings (Vigier, et al, 1994).

In the same years, authorities began to focus the historic value of " ancient" city (Young, 2000). A municipality plan was prepared which involved the phrases such as *"this old picturesque city which makes our city incomparable to all the oriental cities of the Mediterranean basin, and which attracts tourists and artists"* (Young, 2000). However, this document could attract little attention.

In 1931, a new plan was developed which ignores the distinctive of historic center (Young, 2000). On the contrary, it asserted that there was no need to protect or separate the old city from the rest of the city. The aforementioned plan proposed demolishing the old Jewish quarters known as Hafsia where is located in the lower Medina (Vigier, et al,1994) and dating back 1300 years, built on the traditional Arab –Muslim model (Akrouit-Yaiche, 2002). In 1945, additional removing took place in order to construct three public housing structures (Vigier, et al, 1994)

In the 1960s, the authorities recognized the tourism potential and the policy turned towards the restoration and revitalizing the city centre where historical and cultural heritage need safeguarding (Young, 2000 ;Akrouit-Yaiche, 2002). In 1967, ASM (Association Sauvergarde De La Medina Du Tunis) was founded under the guidance of UNESCO by Tunis Municipality (Young, 2001). ASM came into being with the stated aim of *"working to protect traditional urban environments, historic monuments and all objects forming part of the cultural heritage, and taking any action such as may ensure the preservation and enhancement of the Medina"* (Statutes of ASM, 29 August 1967 cited in Akrouit-Yaiche, 2002). ASM formed a multidisciplinary study group to help the future planning efforts in old city (Akrouit-Yaiche, 2002). Studies have involved not only the architectural and urban

planning issues but also the origins, family structures, incomes and employment of the Medina's existing inhabitants (Young, 2000). Technical experts of UNESCO worked in cooperation with ASM in completing the study known as Hafsia I. Thus, UNESCO's involvement into the project placed Tunis in international arena (Young, 2000).

The plan of ASM was based on the socio-economic survey of the area which included the backgrounds, income levels and inhabitants' requirements in terms of dwelling (AKTC, 1983 cited in Young,2000). Thus, the construction of 95 housing units, 22 shops and a new covered souk of about 100 shops completed in 1978 (Harvard University, 1994). The project won the Aga Khan award. The Aga Khan Trust for culture described the mixed achievements of Hafsia I in technical reviews. The objective of the review was relationship with the existing urban morphology was achieved but the project was a complete failure in terms of providing affordable housing for poor (AKTC, 1983 cited in Young, 2000).



Figure 2.1: Interior of souk, phase I (source: [www. web.mit.edu/.../AKPsite/4.239/hafsia/hafsia.html](http://www.web.mit.edu/.../AKPsite/4.239/hafsia/hafsia.html))

Figure2.2:New Housing Development (www.gsd.harvard.edu/research/research_centers/cuds/hafsia)

The report of Harvard University and ASM named as "The Rehabilitation Of The Hafsia Quarter Of The Medina Of Tunis-Project Assesment" prepared in 1994 also supports these critics. According to the report, regional inflationary trends resulted in 121 % increase in construction costs and new housing was too expensive for low-income households. Social mix could not be achieved and buildings were owner occupied while half of the others had been subdivided into rental units after eight years only (Harvard University and ASM, 1994).

That is to say, physical conditions of the area were visibly improved but the social concerns were ignored. The most commonly cited reason for this failure was the insistence of local politicians for more "prestigious" development as well as the lowest income inhabitants via the project (Young,2001)

Even before the completion of Hafsia I, ASM developed Hafsia II or "Third Urban Project " in 1981 with the involvement of international organizations and financed in part by the World Bank (Harvard University and ASM ,1994). Young (2000) framed the five principles of the project;

1. Integrated approach: Architectural, urban, demographic, socio-economic and employment data should be evaluated simultaneously.
2. Public participation: Financial and institutional support should be given to private owners for rehabilitation.
3. Urban continuity: Renovation areas should be surrounded by rehabilitation zones.
4. Social solidarity: Higher income, new comers should pay higher costs in order to prevent displacement of existing low income inhabitants.
5. Replicability: To ensure the funding agencies should be set up and cost recovery of expenses should be as high as possible.

Beside these principles, the following objectives were determined in the project document.

1. Improving the condition of life of Hafsia's 4,100 inhabitants, some of whom are squatters living in vacant decayed buildings through; regularizing occupancy status ;Rehabilitating 47,700 square meters of buildings; Providing home improvement loans; Improving streets and infrastructure; Constructing 135 units of affordable housing; Relocating 610 of the 620 displaced households in the immediate; Vicinity; Constructing community facilities – public bath, dispensary, etc.
2. Economic objectives; Maintain rent increases in rehabilitated dwellings to a maximum of 18% of median monthly income; Create new commercial and handicraft activities to increase employment opportunities by constructing 700 m² of new shops and a second-hand clothing market; Sell 12,000 m² of serviced land to private developers to build new market-rate housing in order to cross-subsidize the project and diversify the socio- economic characteristics of the neighborhood.

3. Cultural objectives: Renovate historical structures as cultural and tourist facilities.

Third Urban Project rehabilitated about 600 residential units and added 400 new constructed units (Harvard University and ASM, 1994). In addition to the housing units, commercial spaces and offices were built and roads were upgraded. New public services units including a hammam, clinic, nursery, post office and parking services were added. Finally, low-income inhabitants from the adjacent communities benefitted considerably with the implementations of Hafsia II (Young, 2000). Affordable housing were established for very poor inhabitants with a rent that was capped at 18 % of their monthly income. For those who preferred to purchase, a monthly payment of 22 % of their income was set (Fadel, 1995). Also, the strategy of cross-subsidizing -the low-income residents in social housing with higher income groups in private development - provided the financial sustainability of the project and availability of affordable housing (Young, 2000).

Rehabilitation of Hafsia Quarter II also won Aga Khan Award in 1995. But, in contrast to stage I, the project also succeeded the revitalizing for existing low income groups. It was not only a conservation or restoration project, it was a philosophy and a policy for action at historical sites (Akrouit-Yaiche, 2002).

"For the brilliant way in which it has breathed new life into the socio-economic bases of the Medina, while respecting its particular scale and texture. The Hafsia district is once again a centre of important economic and social exchanges. By virtue of its institutional success, its involvement of the community, its financial and economic viability, the excellent partnership established between the private and public sectors, and the humane programmes for the re-housing of displaced residents, this project is a model of its kind." (AKTC, 1995)

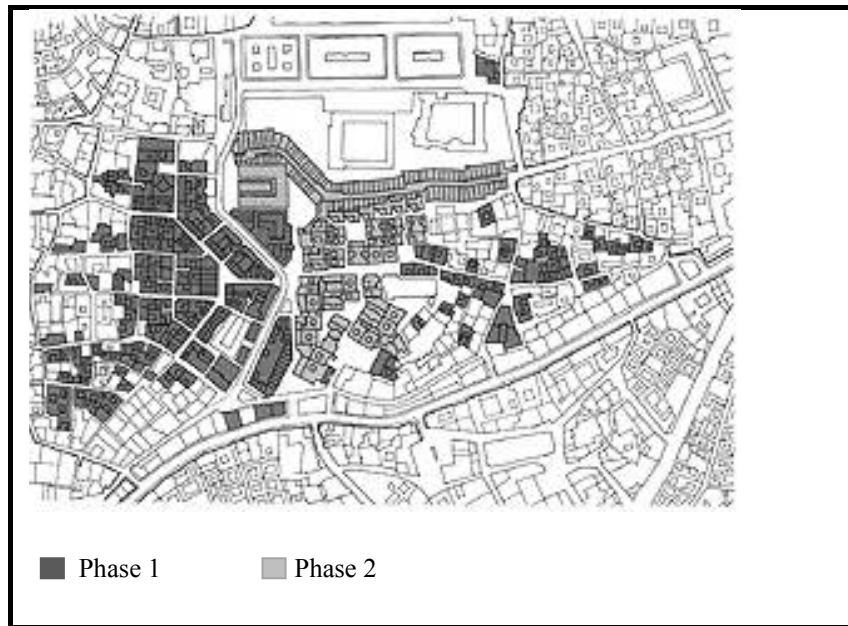


Figure 2.3: Phases of Hafsia Project (source: [www. web.mit.edu/.../AKPsite/4.239/hafsia/hafsia.html](http://www.web.mit.edu/.../AKPsite/4.239/hafsia/hafsia.html))

According to the project assessment document that was prepared by Harvard University and ASM (1994), the impacts of Medina II on inhabitants can be explored in two parts. First one is the economic benefits of the project and second is property solutions for inhabitants. In the first part, economic impacts are assessed through three indicators: employment generation, leveraged private investment and economic returns. In the second part, property solutions are evaluated within the two categories: Compensation of Property Owners Affected by the Project and Relocation of Households.

The employment generated by the project since its initiation in 1983, is estimated at 2,200 jobs. The jobs can be divided into five categories : formal construction, informal construction, construction support services, micro-enterprises and jobs induced by second-round expenditures on goods and services.

The major economic benefit of the project is the increase in economic activity and formation of development potential in the area. Private developers realized the potential on the site and owners of the land constructed on their vacant parcels or rehabilitated their properties. The study team's best estimate based on 1993 field surveys is that no less than 73,560 m² of floor area has been newly constructed. According to surveys of the team; the financial cash flow of TD 9.3 million of private investments to purchase serviced parcels and premises from the public sector, relative

to TD 7.4 million of public expenditures for land expropriation, new construction and infrastructure improvements, allowed the government to cover all project costs, including the re-housing of displaced households and the subsidization of housing for low-income families. The renovation of buildings and the refurbishing of dwellings continue in the impact area. In 1993, the leverage ratio was estimated at 3.4.

In the second part of the report, property solutions are evaluated. The affected population from the project is categorized as : First is the property owners who inhabit outside the Medina and occupants of residents and second is the owners of commercial units. There are two sorts of method implemented in the project for the inhabitants. First one is the Compensation of Property Owners Affected by the Project and second is Relocation of Households.

The owners of wholly or partly demolished properties were entitled to full compensation at appraisal value. Property owners were also given the option of a serviced parcel in the new Project. Also, relocation costs were paid to occupants. All occupants –owners or tenants – were entitled to receive moving costs including housing accommodations. Furthermore, temporary accommodations were provided for families who were waiting for alternative solutions during the rehabilitation process. Several options were available for moving families such as ; an apartment in affordable housing Project or monetary compensation in cash. 12 plots were allocated in Douor Hicher for lower income families who couldn't find accommodation in Medina.

According to surveys, the owners of occupants were very satisfied with the relocation options. The tenants who were once sharing their houses with other families owned their houses with long term repayments. Their houses were built according to their needs and meas. Furthermore, a family who wanted to stay in an overcrowded dwelling in Hafsia, had been relocated to a rental unit in another project in the same area. This method is recurrent whenever lower income families cannot afford to urban land in the Medina (Harvard University, et al., 1994).

Hafsia projects have proven that revitalizing projects can benefit existing low income groups. The projects were developed through the findings of surveys related to requirements of inhabitants. Further, the main goal of Hafsia II project was not to repeat the mistakes of the first project and to produce integrated approach. The success of Hafsia II concerned to social development was mentioned in jury report of Aga Khan in 1995 as:

"...having revived the socioeconomic basis of the old medina while respecting its unique scale and texture. The Hafsia district is once more a vibrant locus institutional success, community involvement, financial and economic viability, excellent public-private partnership and a programme for the displaced make Hafsia a success worthy of widespread study."

2.4 Strategies to eliminate the negative effects of gentrification

Another debate on gentrification is about "how the process is managed". Displacement of old residents can be prevented and reproduction of urban space according to the social interests can be provided with the proper management of the process. Freeman (2006, p.186) asserts that *"if gentrification is becoming a widespread trend that represents the future of many cities, we should be thinking about how to manage the process to help us achieve a more equitable and just society "*. In line with Freeman's argumentation, new terms emerged to conceptualize this kind of intervention: Cameron (2003) has introduced the concept of "positive gentrification"; and more recently, Elorza (2007) called it "healthy gentrification".

Cameron(2003) defines positive gentrification as "people focused" regeneration that emphasizes the upgrading of former inhabitants' socio-economic conditions. The strategies of positive gentrification provide community participation and empowerment. The approach of focusing local participation and rehabilitation more than market, characterizes the regeneration strategies of positive gentrification. Cameron expresses that a "win-win" outcome which brings more affluent people and life as well as improves the life conditions of locals. Elorza (2007) also proposes a rent control system to benefit former residents from regeneration and create a healthy gentrification. Elorza presents healthy gentrification as a way to de-concentrate the poverty. He explores various strategies related to the rehabilitation of public services and socio-economic condition of poor residents along with the stabilizing the rents. Healthy gentrification improves the local immediate conditions rather than shifting them another district.

Accordingly, this study developed a "four pillar" method through literature review to overcome the negative effects on the existing residents in transformation areas. This method comprises four means including 'spatial upgrading' (Roberts, 2000; Jeffrey and Pounder, 2000; Levy, Comey and Padilla, 2006; Bunce, 2009), 'social improvement' (Jacobs and Dutton, 2000; Roberts, 2000; Keneddy and Leonard, 2001; Hart and Johnston, 2000; Bunce, 2009), 'economic development' (Roberts, 2000; Keneddy and Leonard, 2001; Levy, Comey and Padilla, 2006; Bunce, 2009), and 'increase in ownership' (Marcuse,

1985; Keneddy and Leonard, 2001; Levy, Comey and Padilla, 2006; Shaw and Porter, 2009) (Table 2.11)

This section discusses these variables to benefit existing residents from the effects of the transformation and different kinds of intervention tools to foster that.

Table 2.11: Four pillar method in order to benefit current inhabitants from transformation projects.

FOUR PILLAR METHODS			
<u>1.SPATIAL</u>	<u>2.SOCIAL</u>	<u>3.ECONOMIC</u>	<u>4OWNERSHIP</u>
1.1 Buildings	4.1 Improving the Public Services	3.1 Business Assistance Programs	2.1 Affordable Housing Strategies
1.2 Open Spaces	4.2 Creating Public Awareness and Participation	3.2 Using New Commercial	a. Housing Production b. Housing Retention c. Asset Building
1.3 Utilities and Services		3.3 Attract Investment	
		3.4 Linkage to city and regional developments	

2.4. 1.Spatial Upgrading

This part explores the methods to benefit long term residents through physical and environmental improvement. This part does not touch upon the technical issues about conservation but instead it asserts the methods to benefit long term inhabitants in rehabilitation of buildings and environment. In this frame, I discuss three issues: buildings, open spaces and utilities and services.

The physical appearance and environmental quality of neighborhoods are the symbols of prosperity, quality of life and confidence of its inhabitants (Jeffrey and Pounder, 2000). Dilapidated buildings stock, tracts of vacant land and neglected open spaces destroy the image of the neighborhood and intercept new investment. According to Jeffrey and Pounder (2000), physical stock consist of buildings, land and sites, urbanspaces, open

spaces and water, utilities and services, telecommunications, transport infrastructure and environmental quality. With the reference of this classification, this part asserts the physical and spatial improvement under three items: housing rehabilitation, improvement of open spaces and improvement of utilities and services.

Housing Rehabilitation refers to the upgrading of building materials, earthquake resistance, updating plumbing and electrical systems and several repairs along with the conservation of historic housing stock. The main objective of housing rehabilitation is to retain incumbent residents while improving the housing stock (Levy, Comey and Padilla, 2006). This strategy encourages inhabitants to remain their neighborhoods and aid in revitalizing area through rehabilitation of the houses to prevent future displacement. (Levy, Comey and Padilla, 2006)

Another component of spatial improvement is the upgrading of open spaces such as streets, playgrounds, squares and seafronts. It encompasses the redesigning of parks, playgrounds and squares to function in the most efficient way for the residents, clearance and removing the unfavorable stuff, planting and landscaping. The most important point in improvement of open spaces is that they should response to the requirements of inhabitants and the required spaces should be free for inhabitants.

In this study, upgrading of utilities and services involve the transportation, telecommunication and infrastructural improvements. For the urban regeneration projects where attracting private sector firms is a crucial policy, the provision of a high-quality telecommunication infrastructure in project sites has become incrementally important (Jeffrey and Pounder, 2000). Besides, transportation services and site accessibility is vital issues in physical upgrading (Jeffrey and Pounder, 2000).

2.4.2. Social improvement

Social improvement refers to upgrading the quality of life and social relations, improving the access to housing through developing health, education and other public services, decreasing the crime rates as well as creating public awareness.

The social development strategies aim to improve social services and support current residents to remain in their neighborhoods. Many programs in social development strategies play complementary roles to rehabilitate original residents' socio-economic conditions. By this way, they capture the benefits of regeneration projects which are carried out in their neighborhoods.

Urban regeneration projects should involve strategies and precautions in order to improve the quality of life and social relations, to provide access to housing through developing health, education and other public services, to decrease the crime rates and to overcome stigmatization and social exclusion (Slater, 2006).

The development of health services is one of the most significant issues for social regeneration. Upgrading of physical environment should lead to rehabilitation in mental or physical health outcomes. The health services improvement strategies involve tools in order to dissolve inequalities between different socio-economic groups. Health services should be upgraded and widened in a way that even the poorest residents can receive easily. Besides, tools including housing, education and income have deep impacts on the health

Another significant goal of social improvement strategies is to enhance the public education service in the neighborhood. The neighborhoods in decline often have schools that are in poor conditions. While these neighborhoods are gentrifying, no upgrading is observed in public schools though the invasion of higher income families (Kennedy and Leonard, 2001). The new comers usually place their children to private schools or better-conditioned, public schools outside the neighborhoods (Kennedy and Leonard, 2001). To overcome this problem, regeneration projects should involve the rehabilitation of existing public schools. States may provide financial support by legal requirements from private sector and encouraging the new-comers. However, if new comers or developers rehabilitate the conditions of the local schools, upgrading will benefit both new and former residents students (Kennedy and Leonard, 2001). Better off schools provide qualitative education for inhabitants which may ensure old residents to stay.

Further, social improvement strategies should involve implementations to create social inclusion. Different groups should act corporately and relationships should be developed during the project. In this way, the projects promote equality of opportunity along with the causing people become closer.

Particularly in the early stages of gentrification, before market forces gain acceleration, one of the most important tools is the awareness and organization of communities. A truly grassroots effort, that is widely inclusive and effective, can be formed through the creation of *community vision*. If involvement of a variety of old residents can be provided, organization may play an effective role in preventing displacement. Community can define and explore their needs for housing, commercial development, education and health services to guide the regeneration plans in the forums. Community may even put pressure on the decision makers and developers during the planning process.

There are many examples expressed by several authors (Allegretti and Cellamare, 2009 ; Porter, 2009; Colomb, 2009) all over the world in which grass roots organizations have deep impacts on the regeneration projects. The organization and collective construction of knowledge create movement through these associations. Professionals and activists from a variety of carriers launch the community to advocate their rights. These association and community organizations work for "people based" regeneration and social inclusion in gentrified neighborhoods all over the world like Hoxton, London, Barcelona, Parkdale, Toronto. In some cases, local governments supported and cooperated with these organizations while in some cases local states supported the organizations but also encourages the gentrification process at the same time. This points towards the paradoxical and contradictory role of the state in contemporary processes of gentrification (Janes and Ward, 2004; Colomb , 2007 cited in Colomb, 2009)

These associations also serve to unit new comers and old residents. In this way, social interaction is provided that prevent alienation and exclusion. Also, new comers who are usually higher income and well-educated groups, provide economic and social benefits to long term residents by means of organizations.

Another role of the associations is to educate residents about their legal rights and options. Legal requirements, states' precautions are useful tools to slow gentrification process, but decision makers may need pressure to carry out these strategies from aware communities. These associations, particularly the founders of associations who are usually activists and intellectuals organize and instruct the residents. Thus, a deep impact can be created on local governments, developers, therefore regeneration projects.

2.4.3. Economic Development

Economic development strategies involve improving the distribution of wealth, benefitting from new commercial, attracting investment and linking local to city and regional development.

Income raising tools can be used to provide the distribution of wealth that target to improve economic conditions of low income residents. Gentrification often affects the more indigent, less educated and unemployed groups. In this sense, improved job prospects and better education can provide more job opportunities that allow old residents to afford housing and remain in their neighborhoods. Therefore, one of the most important tools of income raising strategies is the business assistance programme. These programs include assistance to existing commercial units, job education programs, and providing job opportunities by states

or private sector. States can provide jobs directly or indirectly with the encouragement of private sector or the legal arrangements for developers.

Another issue in economic development is the new commercial units. New commercial developments have both advantages and disadvantages for the long term trades. These new comers can cause increase in rents or unfair trade, but also provide new job opportunities as well as attract investment. Hence, efforts to protect original business from competition are less common and unproductive method although some cities like San Francisco passed legislation out flowing the sitting of some kind of commercial development such as coffee shops in certain neighborhoods(Keneddy and Leonard, 2001). Instead, controlling rent prices and providing assistance to original trade to upgrade their commercial units and make them able to join competition are seen as better solutions (Keneddy and Leonard, 2001).

Another tool to increase wealth distribution of neighborhoods is to link neighborhoods to public facilities such as stadiums, transit facilities at regional and city level. This method provides new job opportunities for low-income local residents. These kinds of linking strategies seem promising, particularly given opportunities for leveraging the great economic resources that generally accompany gentrifying neighborhoods.

To attract new investment is also one of the major components of economic development. Gentrifying neighborhoods are already attractive for investors. But, process should be managed and channelized to benefit long term residents. New investment means new jobs. Governments can encourage developers with regulations such as tax abatement in return for employing current residents .

A further strategy is concerned to regeneration of tourism activities. Transformation projects are usually carried out in historic centers. The features of these architectural valued areas which are also rehabilitated during the projects can be promoted to attract domestic or foreign tourists. This kind of approach also attracts investment and accelerates the economy of neighborhoods, thus residents.

2.4.4. Ownership Strategies

A comprehensive plan to prevent gentrification can address the ownership strategies to obtain affordable housing. One of the major problems of the gentrified neighborhoods is the raising costs which can lead to displacement of low-income communities. Developers target higher-income households for newly constructed or rehabilitated houses. At this point, local governments play a key role in creating legal arrangements, providing financing or technical

support and sending a message that affordable housing is an important component of the broader community (Levy, Comey and Padilla, 2006)

Levy et al. (2007) grouped the affordable housing strategies in three groups: housing production, housing retention and building assets. This chapter uses this classification mainly and also explores the additional strategies

Table 2.12: The affordable housing strategies.

AFFORDABLE HOUSING STRATEGIES		
1. HOUSING PRODUCTION	2. HOUSING RETENTION	3. ASSET BUILDING
Inclusionary Zoning	Housing Rehabilitation	Job Training Education
Vacant Land Development	Rent Stabilization	Secondary Education
Vacant Property Development	Tax Relief and Assessments	
Infill Strategies	Homebuyer Programmes	
Housing Trust Funds	Individual Account Development	
Land Trust Funds		
Housing Linkage		

2.4.4.1. Housing Production

Housing production refers to the building of affordable units for low income groups by states, non-profit organizations and for profit developers to mitigate displacement. Production of affordable housing not only provides low-income residents to remain but also provide alternatives for involuntary displaced residents in the same neighborhoods. This furnishes economic benefits to low-income in terms of transportation costs for their existing jobs or schools beside social ones.

Two major factors that have impacts on housing production are stage the of gentrification and land availability (Myerson, 2006). In the first phases of gentrification, low-priced vacant land and developable parcels still can be found to produce affordable housing. But in the later phases, this may not be possible due to increase in prices. Then, local states are not eager to produce affordable houses after the cost of land increases (Kennedy and Leonard, 2001)

There are many strategies that we can evaluate in "housing production" category. These are; inclusionary zoning, infill development, vacant land and Property development and state low-income housing credits, housing trust funds, land trust fund, building leases and housing linkage.

Inclusionary zoning refers to the municipal and state planning ordinances that require a given share of new construction for affordable houses. The policy requires developers include units reserved for low and moderate-income families when developing large residential projects. In exchange, developers are allowed to increase the density of the project to offset the cost of these affordable units or any other concession. In some cases they are required from all new developments without any concession.

Inclusionary zoning has often seen as a policy tool for medium-sized cities. However, large cities are beginning to realize the many benefits of inclusionary zoning (Brunick, Goldberg and Levine, 2003). Firstly, inclusionary zoning provide affordable housing stock without large amounts of public subsidy but with the efficient management of private sector. This allows cities to preserve their tax revenues and to use it for other public needs. This method also provides affordable houses in city cores for working families and supports them in terms of transportation costs as well as it helps the formation of the social-mix costs.

Infill development refers to the filling of abandoned buildings by state, private developers, and nonprofit organizations.. Infill development benefits incumbent residents by increasing the number of quality houses for sale, potentially turning former renters into homeowners.

Vacant land development and vacant property development target the acquisition and redevelopment of vacant land or properties and serve to increase the affordable housing stock. Vacant properties and abandoned buildings offer a key opportunity for producing affordable houses and thus preventing displacement. The funds for the strategy can be ensured from local states, non-profits or private sector. Thus, if local states can manage vacant land, with targeted plans and with the help of the legal arrangements, the strategy can be a powerful tool.

Housing Trust Fund intends to ensure non-residential development assist with low-income housing needs connected with job growths. It establishes a housing linkage fee per square meter of commercial development. The funding aims to support the development of housing for low-income workers that are employed in commercial development. A housing trust fund can serve two purposes; it can be a channel for affordable housing funds from a variety of

sources and it can be an expenditure device that permits innovative and democratic proposal to be implemented effectively.(Marcuse, 1985)

A further method is the land trust fund which has more aggressive approach than housing trust fund for the development of affordable housing and preservation of existing communities (Levy, Comey and Padilla, 2006). These are the programs that separate the ownership of the housing from the ownership of the lands. Thus the housing units become more affordable. The goals of the land trust are to help to stabilize the community by bringing existing housing under the community ownership. It aims to benefit current residents by ensuring the long-term availability of affordable housing. Land trust helps to improve the life quality of residents and create a variety of ownership opportunities by regulating land costs over the time. Another similar approach is "public and non-profit owned land". They are rented to current residents for decades with below-market rates. In this way, even the most indigent existing residents can remain in their neighborhoods as tenants.

Further strategy is the building leases. In this strategy, substantial amount of publicly owned older real estate were given over to their inhabitants on a so-called building lease basis for 90-100 years. Building leases means that the state, as ownership of the land, keeps the ground as its property but sell either the building on this ground or building rights. The land is rented out for a fixed period of time. After the rent expires, the state has the option to either buy back the building or renew the leases (Shaw and Porter, 2007).

Housing linkage programs require that investors and developers of commercial properties to construct or provide financial assistance for the production of affordable housing as a condition of building approval. There can be legal arrangements for this programme. Another programme is "homebuyer programme" that helps to low-income homebuyers for home purchases. The programs accept the first-time home buyers.

2.4.4.2 Housing Retention

Housing retention strategies target to maintain existing affordable units by preventing displacement and ensuring the future ability of such housing (Levy, Comey and Padilla, 2006). Retention strategies focus on ensuring the affordability of housing units. The strategies target private-market and publicly subsidized rental housing and they can prevent exclusionary displacement of residents.

When neighborhoods begin to gentrify and experience increase in costs, housing retention strategies can be carried out through assisting residents for home repairs. Improvements help to stabilize of existing residents while sending visual signs that investment is occurring to attract more investment (Levy, Comey and Padilla, 2006). Housing retention mostly target the individual housing units or small blocks of units rather than large quantities. In stronger markets, strategy targets particularly, rental units. Non-profit organizations or local states anticipate the future pressures on affordable housing and converted a number of privately owned affordable properties to nonprofit ownership before sharp increases. In this way, they help tenants (Levy, Comey and Padilla, 2006)

One of the methods of housing retention is the housing rehabilitation. The primary goal of housing rehabilitation is to upgrade the living conditions of incumbent residents along with the improvement of housing stock. The method targets to benefit current residents through repairing roofs and exterior elevations, updating plumbing and electrical systems of owner-occupied houses.

Another method of the strategy is rent stabilization. The method protects tenants from sharp rent increases. These strategies are also heavily related to state, legal arrangements and community-based organizations. Decision makers and legislators should be organized to protect existing affordable housing with the help of community participation.

Another part of the methods support inhabitants through tax reliefs and assessments. The method raises funds for affordable housing preservation, production and assistance. The assessment may target rental units' preservation, homeownership assistance or maintenance of the houses. These programs can be effective devices to avoid displacement. Real property tax policy can serve comprehensive planning and housing policies including inclusionary zoning policies. Accordingly, a further program helps the residents to purchase dwelling is individual development accounts programs. The program enables participants to build wealth and serves as community building tool. Participants can use their savings toward homeownership in any approved gentrifying neighborhoods (Levy, Comey and Padilla, 2006).

2.4.4.3 Asset Building Strategies

Asset-building strategies aim to help low-income families to accumulate wealth which can be also evaluated within the frame of "social development". These strategies become useful tools in strong housing markets with increased asset limits.

The strategies seek to increase the assets of low-income households. They focus both on place (affordable housing and land use), and people (job training and post-secondary education) and thus have the potential to increase residents' stability and to promote equitable development in gentrifying neighborhoods (Levy, Comey and Padilla, 2006). These strategies play a complementary role to production and retention strategies. The majority of these programs require coordination between many actors; non-profit organizations, community participants, private sector and states. Asset strategies involve job training and post-secondary education. These methods provide job opportunities for low income families.

Local government has inherently powerful regularity role in land use. If city's objective is to improve the worst housing conditions, there are basic concepts to achieve this aim. First, the polarization of economic conditions and neighborhoods conditions should be reduced. Second, housing policies and economic policies should be implemented together. Public housing policies dealing with housing (including the control of private sector actions) must be designed to eliminate displacement. Finally, the tools must be identified that will eliminate displacement and improve housing conditions for those most in need (Marcuse, 1984).

According to Marcuse (1984), there are two key requirements to achieve the objectives of secure, affordable residences for all neighborhoods. First, public investment must be increased and public resource must be concentrated for existing low-income residents in areas of abandonment. Thus, the pressure of gentrification will also be reduced. Secondly, carefully developed and detailed procedures must be adopted to determine the extent and location of permissible gentrification, with precautions against displacement.

CHAPTER 3

RESEARCH METHODOLOGY

This chapter presents the research methodology used in this thesis. Research questions constitute the basis of the methodological framework. As stated in the initial section of the thesis, the main research question asks if the involvement of international actors in urban transformation processes enhance the socio-spatial conservation of Fener-Balat neighborhoods. The main purpose of asking this question is to extract critical perspectives of involved actors in benefitting long term residents and preventing displacement. To respond this, the study explores three challenging issues through a comparative analysis: planning approaches of local governments; spatial, social, economic and ownership strategies; impacts after the implementation. Respectively, the study answers the following specific questions: *“How and why the planning approaches of local governments change/differ in the Fener and Balat urban transformation areas with the involvement of international agencies?”*; *“How and why the implications of RFBDP and FBMRP’s socio-economic-spatial-ownership strategies differ?”*; and *“What are the impacts of RFBDP’s physical upgrading with respect to socio-economic improvement and ownership?”*

The thesis conducts a comparative study with a qualitative research approach. To do that, It produces two analytical parts (Table 3.1): 1) Conceptual/contextual framework; 2) Case Study

In the first part, I construct both the conceptual and the contextual frameworks of analysis for which I review the literature on urban gentrification as a consequence of urban regeneration applications and theoretical argumentations on socio-spatial dynamics of space making. This reveals the areas of impacts of urban regeneration processes including social, spatial, economic, and ownership. Moreover, it provides a historical synthesis of the economically-driven emergence of gentrification in Istanbul. This gives the basis for an historical analysis of gentrification with respect to the changing involved actor map

Table 3.1. The parts of research methodology

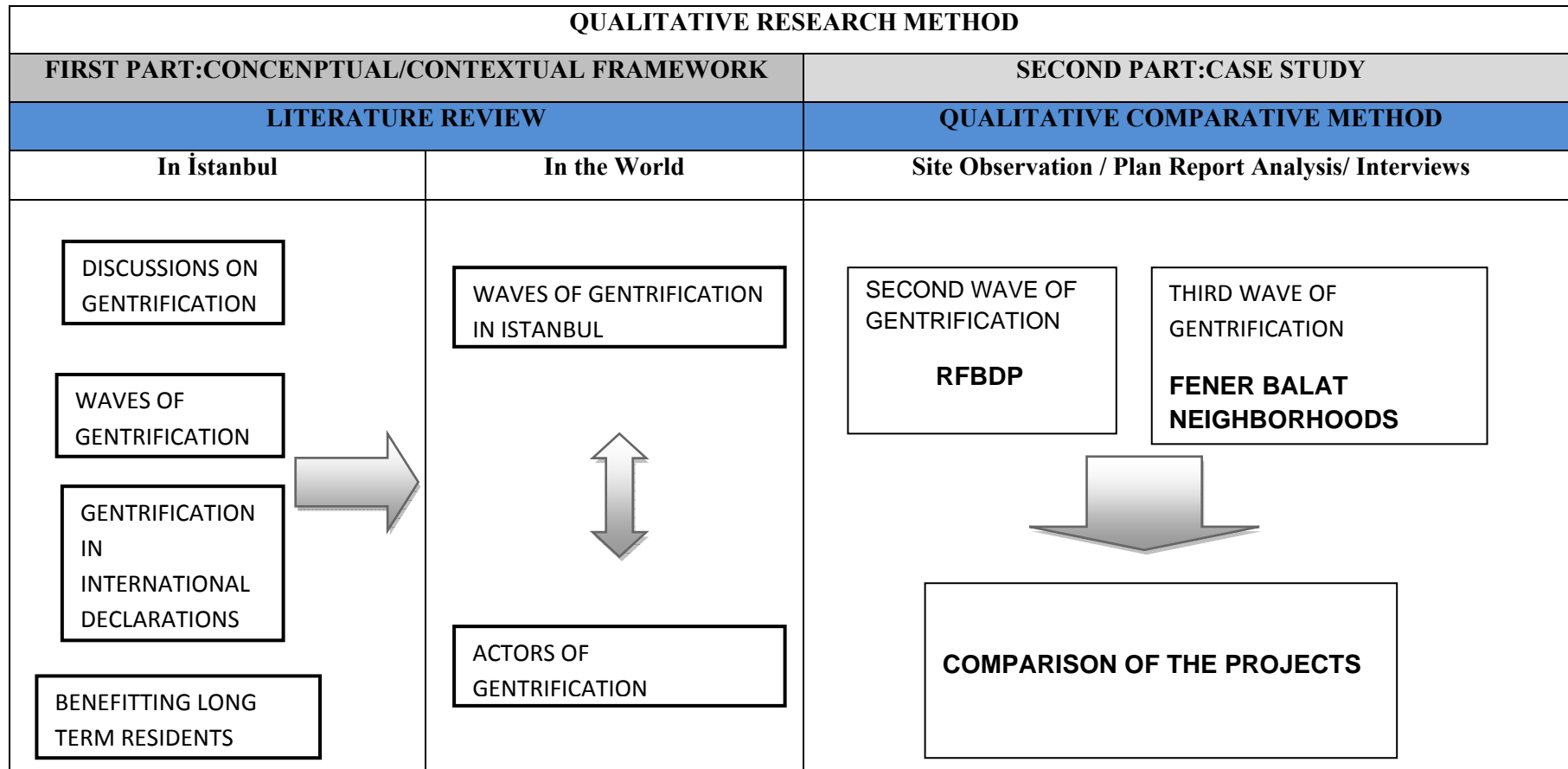


Table 3.2: Research questions and methodology of the thesis

Research Questions	Research Approach	Variables	Data source	Data Gathering (methods/techniques)	Data Analysis (methods/technique)
How and why the planning approach of local governments change/differ in the Fener and Balat urban transformation areas with the involvement of international agencies?	Exploratory approach / Hermeneutic	Spatial Upgrading Economic Development Social Improvement Diversification in ownership alternatives	Plans Reports Director of the projects/Decision Makers NGOs Inhabitants	Plan reading Programme/report reading 2 nd data gathering In-depth interviews	Comparative Analysis- Descriptive
How and why the implications of RFBDP and FBNRP's socio-economic-spatial-ownership strategies differ?	Exploratory approach / Hermeneutic	Spatial Upgrading Economic Development Social Improvement Diversification in ownership alternatives	Director of the projects Inhabitants	In-depth interviews	Comparative analysis- Descriptive
What are the impacts of RFBDP's physical upgrading with respect to socio-economic improvement and ownership?	Exploratory approach	Spatial Upgrading Economic Development Social Improvement Diversification in ownership alternatives	Inhabitants Project reports	In-depth interviews Site observation	Descriptive

The second part involves a comparative analysis of the case study, RFBDP and FBNRP, with respect to variables derived from previous research. The methodological framework of this part is shown in Table 3.2. The table 3.2 is structured according to the formulated research questions, each being identified with respect to its research approach, indicators, data sources, data gathering methods/techniques, and data analysis methods/techniques. All questions pursue an exploratory research approach. The analysis emphasizes the interpretation of culturally specific values, accepted norms/decisions, and actions. The study uses a variety of sources including written documents and plans as well as respondents' descriptive. Respectively, I gather data through plan/report reading, second-hand data interpretation, and in-depth interviewing. I use comparative analysis and descriptive to present my findings.

This chapter presents the specifics of the study's research design under four sections. They include: variables, data sources, data gathering methods/techniques, and data analysis methods/techniques. In the first section, I discuss how I utilized the findings of the literature review to show the variables used in comparing two projects.

In the second section, I simultaneously present the data resources and data gathering methods. This section involves two sub-parts: 1) Written sources and interviews. The first part describes the reports, articles, journals and plans used in the study; the second part discusses how "respondents" are selected and the grouping of questions. Finally, I present the data analysis methods and techniques used in the analysis of the collected data.

3.1. Variables

Since the study intends to examine differences between local governments' planning approaches on sustaining the community as well as the historic fabric through a comparative analysis of institutional intentions, regeneration methods pursued and strategies/ objectives formulated within the context of the neighborhoods' socio-spatial transformation, I formulated an analytical framework composed of four variables, extracted from a review of literature (Table 3.3). I intend to explain the socio-spatial transformation on the basis of complex relationship between these four variables.

The variables include 'spatial upgrading' (Roberts, 2000; Jeffrey and Pounder, 2000; Levy, Comey and Padilla, 2006; Bunce, 2009), 'social improvement' (Jacobs and Dutton, 2000; Roberts, 2000; Kennedy and Leonard, 2001; Hart and Johnston, 2000; Bunce, 2009), 'economic development' (Roberts, 2000; Kennedy and Leonard, 2001; Levy, Comey and

Padilla, 2006; Bunce, 2009), and ‘increase in ownership’ (Marcuse, 1985; Keneddy and Leonard, 2001; Levy, Comey and Padilla, 2006; Shaw and Porter, 2009). (Table 3.3)

Table 3.3: Variables used in the comparison of the projects.

SPATIAL	SOCIAL	ECONOMIC	OWNERSHIP
Buildings	Improving The Public Health and Education System	Organizing Income Raising Tools	Diversification Of Affordable Housing Strategies
Open spaces		Organizing Business Assistance Programs	
Utilities and Services	Creating Public Awareness and Appropriation	Improving Existing Commercial Units	
		Benefitting From New Commercial Units	
		Linkage To City And Regional Developments	
		Attract New Investment	

I choose to discuss this interconnected relationship through a descriptive synthesis of available written sources and participants’ responses. I do that by focusing on the suggested transformation in space and discussing it with respect to other aspects including economic, social and ownership (Figure 3.1) .Considering the purpose of the study, the analytical part does not focus on the historical assets of the existing architecture, and thus, it does not use available conservation methods and techniques.

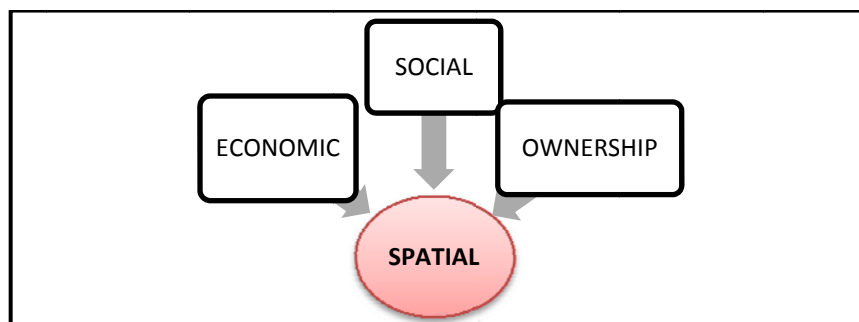


Figure 3.1: The method of the comparison used in the thesis.

3.2 Data Gathering

The study uses both quantitative and qualitative data. I gather this from two types of sources. The first include books, research/project reports, personal site records, booklets, journal articles, newspaper articles and web articles and photos which I have taken during site observation. The second source of data includes the in-dept interviews which I have conducted with inhabitants, policy makers, and architects involved in RFBDP and FBNRP. This part presents these two types of data sources and the data gathering techniques used in the study. Respectively, it involves two sections: 1) Written sources: content and techniques; 2) Interviews: respondents, questions.

3.2.1 Written Sources

The written sources used in the study is composed of four main references. They include research/project reports, personal records, journal writings web articles and media discourses. This section presents these references in detail.

The first constitutes one of the major written data sources: research/project reports. This study mainly referred to Rehabilitation of Fener and Balat Districts Report, Foundation for the Support of Women's Work Report, The Impact Analysis of UNESCO Project Report, and Final Narrative Report of Human Resource Development Foundation.

The Rehabilitation of Fener and Balat Districts Report have been prepared according to the findings of feasibility studies conducted by The European Community, Fatih Municipality, the French Institute for Anatolian Studies and UNESCO in 1997-1998 in the premises of the Municipality with active participation of two neighborhood NGOs (Fener and Balat Associations). The report includes the spatial, social, economic features and constraints of the district. The report also presents the predicted actors, financial and organization structure as well as the strategies, methods and objectives of RFBDP.

Another written source is the *Foundation for the Support of Women's Work Report* prepared by the same foundation and supported by EU in 2004 as part of RFBDP. The report includes the results of 300 questionnaires conducted by local women with the help of university students within the dates of March 3-10 2004 and also suggestions based on the findings of the surveys for Social Centre. However, more interviews were conducted in central neighborhoods such as Hızır Çavuş or Tevkii Cafer. According to the report, per neighborhood ratio of the survey is as follows: Hızır Çavuş - %21, Tevkii Cafer - 20%, Kazım Gürani -11%, Tahta Minare - 11%, Balat Karabaş - 10%, Hamami Muhittin - 9%,

Molla Aşk1 - 9%, Abdi Subaşı - 9%. Within the scope of survey, a total of 300 local women replied the questions related to neighborhood problems and local services, education of children and youth, poverty, economic initiatives, health problems and evaluation of related services, earthquake preparation and the condition of the housing. Each topic was conducted to 50 participants. The sample was selected random for some questions whereas definite respondents were selected with the help of muhtar and schools for samples related to poverty and education.

Additionally, the initial part of every questionnaire contained common questions concerned to the general profile. These two reports also involve detailed community measures including the living conditions (number of people per m², access to public spaces), personal attributes (age, gender), skills (education, profession), economic positions, (occupational, employment status, income) of the inhabitants and district property status (tenant, host).

A further source is *The Impact Analysis of UNESCO Project Report* conducted in Fener and Balat Neighborhoods ". The report was prepared by Assoc. Prof. Dr. Zeynep Enlil and Research Assistant Ömer Bilen with the support of Çözüm Consulting Firm for Fatih Municipality in 2009. In the first part - the quantitative research part- the inhabitants of 200 buildings (within the 1267 buildings) have been participated to the interviews. 102 of 200 buildings are listed as historic buildings and 39 of them have been rehabilitated within the scope of RFBDP. In the second part – the qualitative research part- in-depth and focus group interviews with 23 respondents including former and new residents have been conducted. The survey include the findings related to the housing and neighborhoods constraints, perception of UNESCO project¹⁷, social relations, satisfaction from the public services and environment, gentrification, children and Golden Horn seashore.

Another report used in the study is *Final Narrative Report* prepared by The Human Resource Development Foundation (HRDF) for European Commission in 2007. HRDF was the manager NGO of the Social Center during the implementations of RFBDP. Accordingly, **the** report involves the organization structure, activities and impacts of the Social Center as well as the evaluations of HRDF and other NGOs related to the efficiency of the Social Center and support of Fatih Municipality.

I also include the *FBNRP Booklet* in the research/project group of written data sources. This was published by Fatih Municipality and distributed only to district inhabitants in 2008. The

¹⁷ RFBDP is named as UNESCO project in the report.

booklet includes the legal basis, objectives, stakeholders, social structure, the rights given to the property owners and tenants, responsible architectural groups and intervention techniques. I also used the first drawings of the projects together with the booklet. The first drawings have been produced by eight different architectural groups with the supervision of several experts. Hence, the booklet and the projects are the major sources for the analyze of FBMRP.

Second, I used my personal drawings and notes which I produced within the scope of an academic course "Architectural Restoration" supervised by Dr.Burçin Altınsay, the coordinator of RFBMRP, in 2004. I attempted the building surveys and drawings of a typical building as well as the meetings in the Program Office. I mainly used these documents in the presentation of the physical and social structure of the area before RFBMRP.

Third, I used newspaper articles, web-based articles and academic papers related to the neighborhoods (e.g. the website of FEBAYDER (Association to Protect the Rights of Property Owners and Tenants in Fener, Balat and Ayvansaray Neighborhoods), local news website (www.fatihhaber.com), websites of Fatih Municipality and involved architecture companies.). I used these sources mainly to follow up the current affairs related to the projects.

3.2.2. Interviews

The second major data source of the thesis is the descriptive gathered by using the in-depth interviewing technique with six authorities and 26 inhabitants involved in RFBMRP and FBMRP. This part presents the number of participants involved in this study and the questions that I posed during the interviews.

It was essential to compose the research participants to gather different views and perspectives on the projects. Thus, I interviewed six key actors, both decision makers and planners/architects involved in the preparation and planning of both projects, and 18 inhabitants who volunteered to participate to the study. To find respondents was rather difficult for two main reasons: first the conservative structure of the neighborhoods second the suspicions of the residents due to the speculations about the new project.

The key actors in decision and plan making of the projects include the Project Manager of Etude Works In Fatih Municipality, the Local Coordinator of The Restoration Components in RFBMRP, the International Co-Director of RFBMRP and UNESCO (an expert participated to

the "ICOMOS/UNESCO Review Mission to the Historic Areas of İstanbul World Heritage Site), the Project Coordinator of GAP Construction Company, a professional architect involved in FBNRP, the General Secretary of Fener-Balat-Ayvansaray Association (FEBAYDER).

I conducted in-depth interviews between August 2009 and September 2010. I posed the first six participants open-ended questions about the intention of the projects, the institutional approach towards sustaining the community as well as the historic fabric of neighborhoods and involving the community in the planning and implementation of the transformation process, more specifically the socio-economic and ownership strategies to support long-term inhabitants, and the institutional relationships with other involved institutions during the preparation and planning process of the projects. In addition to these, I also asked the perception and expectancies of the General Secretary of FEBAYDER from the projects to gather initial insights of the group who would directly be effected by the projects (Appendix)

To gather further reflections of the effected group, I interviewed 26 inhabitants. They are selected with respect to their ownership status (tenant, landlord), the way that they use the neighborhood (resident, shopkeeper), and their present status of living/using the neighborhood (former inhabitant, new-comer, displaced inhabitant). Three of the interviewed shopkeepers were also residents at the same time. For this reason, I asked questions them to get both residential and commercial descriptions. Table 24 shows this grouping of respondents.

Table 3.4 The distribution of respondents according to their numbers.

		TENANT	OWNER
FORMER			
Residential	Participant of RFBDP		3
	Not a participant	1	6
Commercial	Participant of RFBDP		2
	Not a participant	2	6
Sub total		3	17
NEW COMER			
Residential	Participant of RFBDP		
	Not a participant	1	1
Commercial	Participant of RFBDP		
	Not a participant	3	1

Table 3.4 is continuing-The distribution of respondents according to their numbers is continuing-

Sub total		4	2
DISPLACED			
Residential	Participant of RFBDP		
	Not a participant	2	
Commercial	Participant of RFBDP		
	Not a participant		
Sub total		2	
TOTAL		9	19

During the site surveys, I interviewed with 26 inhabitants in total. I interviewed with 3 participant from former residents and 2 participant from shopkeepers as property owners. I also made an interview with 6 residents and 6 shopkeepers who did not participate the RFBDP. 3 of these shopkeepers are also the residents of the neighborhoods. For this reason, I asked them questions concerned to both residential and commercial changes. Secondly, I interviewed with a total of 4 tenant and 2 property owners from new-comers who have moved after the RFBDP. Also one of them is both resident and shopkeeper in the neighborhood. Finally, I made an interview with two tenants who have moved from the district due to sharp increase. Additionally, I also talked with a volunteer nursery who is working in Mavi Kalem Association in the neighborhood.

I conducted open-ended interviews with respondents. It was essential to learn about their assessment on the implemented project and their expectations from the new one. Thus, I asked former and displaced inhabitants questions about the impacts of RFBDP. Moreover, I intended to extract the reasons of moving out the neighborhood from displaced inhabitants and reasons of moving in from new comers. Furthermore, former inhabitants and new comers discussed their expectations from FBRP.

3.3 Data Analysis

This study examined four types of data: the texts of reports and plans, site observation, secondary data and subjective descriptive derived from open-ended interviews.

To synthesize the first three groups of data, I adopted a descriptive comparison approach. I used case-oriented qualitative comparative analysis technique to analyze the changes in the planning approaches of the local governments and their regeneration decisions in terms of

benefitting long term residents. By using this technique, I comparatively examined legislations, reports, maps and plans of two projects.

Ragin (2007) defines the qualitative comparative analysis technique (QCA) as:

"QCA is capable of pinpointing decisive cross-case patterns, the usual domain of quantitative analysis. QCA's examination of cross-case patterns respects the diversity of cases and their heterogeneity with regard to their different casually relevant conditions and contexts by comparing cases as configurations."

I applied the content analysis technique to systematize the interview results. The content analysis technique helps systematize descriptives under meaningful content categories and provide the frequently mentioned issues for the subject of exploration.

The content analysis technique identifies specific characteristic of the messages to make interferences (Holsti, 1969). Kimberly A. Neuendorf (2002, p. 10) offers a six-part definition of content analysis:

"Content analysis is a summarizing, quantitative analysis of messages that relies on the scientific method (including attention to objectivity, inter-subjectivity, a priori design, reliability, validity, generalisability, replicability, and hypothesis testing) and is not limited as to the types of variables that may be measured or the context in which the messages are created or presented "

3.4 Selection of case study areas

Fener and Balat are two adjacent neighborhoods located in Historic Peninsula, most part of which enlisted as World Heritage¹⁸ under the name of "Historic Areas of İstanbul"(Figure 3.2). Accordingly, the districts experienced international intervention with RFBDP which is a joint programme of Fatih Municipality and European Commission.

¹⁸ A UNESCO World Heritage Site is a place that is listed by the United Nations Educational, Scientific and Cultural Organization (UNESCO) due its outstanding cultural or physical value to humanity. The list is maintained by the international World Heritage Programme administered by the UNESCO World Heritage Committee to encourage the identification, protection and preservation of cultural and natural heritage around the world.

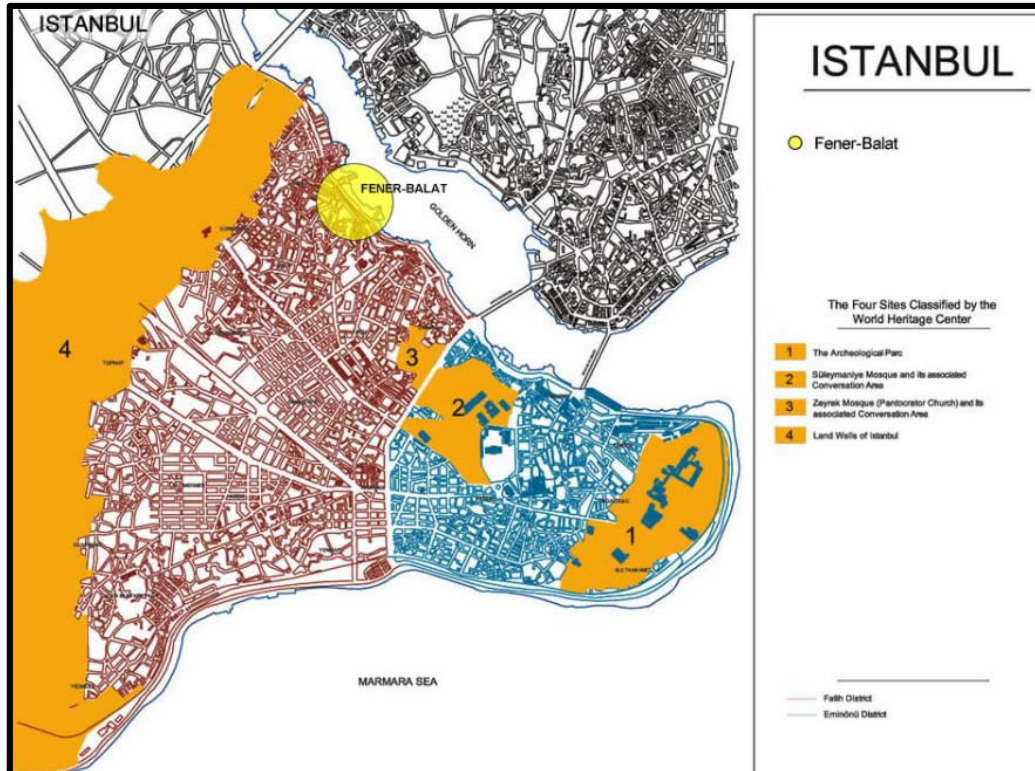


Figure 3.2: World Heritage Sites in Historic Peninsula and Fener- Balat districts(resource: www.fenerbalat.org)

Fener and Balat districts are selected as case study areas for two main reasons. Firstly, international devices developed a rehabilitation project for these districts in cooperation with the local authorities. Hence, examination of Fener and Balat case study areas enable to answer the main research question of the thesis: *Does the involvement of international actors in urban transformation processes enhance the socio-spatial conservation of the historic districts-Fener and Balat-?*

Secondly, the neighborhoods experienced a further project developed by local government and private sector after the RFBDP. This makes possible for the study to define the roles of different actors in benefitting current residents from a transformation process as well as the changes/differs in the planning approaches of local governments.

CHAPTER 4

THREE WAVES OF GENTRIFICATION IN ISTANBUL BETWEEN THE YEARS 1980 and 2010

Thus far, I described the driving forces, impacts and waves of gentrification process with reference to the diverse theoretical arguments. Accordingly, this part analyzes gentrification process in İstanbul via these arguments. In other words, this part intends to adapt these international arguments into gentrification process of İstanbul. At this point, while gentrification process of İstanbul has been classified as three waves according to their region (İslam, 2005; İslam and Enlil, 2006), this study makes another classification according to main actors of the process in line with the international literature (Hackworth and Smith 2001, Hackworth 2002, Lees 2003, Slater et al. 2004, Slater 2006, Lees et al. 2008). Table 4.2 indicates the gentrification schema of Istanbul together with the schema of Hackworth and Smith (2001). Until the late 1990s, the process was initiated by artists and intellectuals and state intervention was limited with legal arrangements to protect historic heritage in these neighborhoods (Uzun, 2001). In the early 2000s, the process evolved in terms of its driving agents. The state and international actors involved the process in the recent phase.

I have presented the schema of Hackworth and Smith(2001) related to the waves of gentrification process in the earlier chapter.¹⁹ Hackworth and Smith(2001) mentions that although the specific data can vary according to the place, their schema can be adopted to any global city in the world.

"Through the timeline draws heavily from the experience of gentrification in New York City it has wider applicability insofar as the studies from other studies were used to assemble it. Specific dates for these phases will undoubtedly vary from place to place, but no significantly as to diminish the influence of broader scale political economic events on the local experience of gentrification" (Hackworth and smith, p.3, 2001)

¹⁹ See Chapter 2

From this point of view, several researchers have attempted to integrate the schema into different cities (see Murphy, 2008; Bunce, 2009). In line with these authors, I also intend to integrate the gentrification schema of Hackworth and Smith (2001) into the gentrification process in İstanbul. To do that, I organized the waves according to the main involved actors (Table 4.1). I defined the formation of different actors within the frame of economic and political restructuring process in line with the authors:

"Gentrification has changed in ways that are related to larger economic and political restructuring... Each phase of gentrification in the diagram is demarcated by a particular constellation of political and economic conditions nested at larger geographical scales."
"(Hackworth and Smith,p.1-3, 2001)

As discussed in the second chapter of the thesis, Neil Smith is the leading representative of the economic argument and the aforementioned schema has been formed within the frame of economic argument. At this point, although thesis frames the waves of gentrification in İstanbul in line with the economic argument's schema, it also intends to integrate cultural agents in the explanation of actors.

This part discusses the gentrification process of İstanbul. I begin with the first phases of the process and their involved actors in İstanbul. Following, I define the formation of the process and three waves chronologically. Finally, I express the contemporary gentrification process with their actor that is emerged in the 2000s.

Table 4.1: Waves of Gentrification

WAVES	INVOLVED ACTORS	NEIGHBORHOODS
FIRST WAVE	Artists and Intellectuals; Small scale Investors	Kuzguncuk; Ortaköy; Arnavutköy; Cihangir; Asmalımescit ;Galata
SECOND WAVE	State; International Institutions	Fener and Balat
THIRD WAVE	State; Large scale developers /Investors	Fener and Balat; Tarlabaşı; Sulukule

Table 4.2: Modified table of Hackworth and Smith (2001) and integration of the schema in İstanbul

WAVES OF GENTRIFICATION (Hackworth and Smith, 2001)		WAVES OF GENTRIFICATION IN ISTANBUL	
THIRD WAVE	<ul style="list-style-type: none"> • It also affected more remote neighborhoods other than immediate city cores • Larger developers became involved • State is more involved 	THIRD WAVE	<ul style="list-style-type: none"> • Municipality and private sector initiated the process (Fener and Balat; Tarlalabaşı²⁰; Sulukule²¹)
SECOND WAVE	<ul style="list-style-type: none"> • The process spreads to smaller, NON-GLOBAL CITIES • The presence of art community was a key correlate • Local state provoked private market rather than directly orchestrating 	SECOND WAVE	<ul style="list-style-type: none"> • Municipality and International devices initiated the process (Fener and Balat)
TRANSITION	<ul style="list-style-type: none"> • Gentrifiers buy property • Developers and investors used downturn in property to consume large portions 	SECOND WAVE	
FIRST WAVE	<ul style="list-style-type: none"> • Sporadic • Public funded • Isolated in small neighborhoods <u>in USA and Western Europe</u> <p>(DOES NOT DEFINE THE PROCESS OF ISTANBUL)</p>	FIRST WAVE	<ul style="list-style-type: none"> • Artists and intellectuals initiated the process (Kuzguncuk, Ortaköy, Cihangir, Asmalımesçi, Galata)

²⁰ Discussed within the scope of New-build gentrification in third wave

²¹ Discussed within the scope of New-build gentrification in third wave

4.1 First wave of gentrification in İstanbul

The schema of Hackworth and Smith(2001) defines the first-wave of gentrification as sporadic, public-funded and particular to neighborhoods in New York and Western Europe. Hence, this wave is not valid for the cities of developing world including İstanbul. Following, a transition period was defined as the usage of downturn in property to consume large portions by developers and investors. In the second phase that is called as *anchoria* phase, art community becomes a key agent and the process began to spread non-global cities. Hence, thesis agrees that İstanbul also began to witness gentrification within the scope of the defined transition and second wave. The crucial point of the wave for İstanbul is that it does not follow a linear timeline as the schema of Hackworth and Smith indicates. Rather, the first wave of the process in İstanbul (corresponds to second wave in the schema of Hackworth and Smith, 2001) runs in a parabolic way. The artists and intellectuals moved into the neighborhoods and attracted the investors later.


In this part I asses the gentrification process in İstanbul until the 2000s. This part gives a brief discussion of the gentrification process in the "first wave" neighborhoods²². To this end, study analyzes two process in İstanbul; formation of potential gentrifiers and formation of potential housing via the explanation of driving agents of gentrification through two main arguments discussed in Chapter 2: cultural argument and economical argument. In this way, study intends to assess distinctive of contemporary gentrification which involved Fener and Balat neighborhoods.

İstanbul is the largest city of Turkey with a population of 12,782,960. The city was continuously at the crossroads for commercial networks (Keyder, 1999): it linked Europe to the Far East; the Bosphorus connected the Black Sea to the Mediterranean (Sönmez, 1996; Tekeli, 2001 as quated in Bezmez, 2001). The city is the commercial, finance and industrial center of Turkey with a rapid growth in its population. Between 1950 and 2009 the population increased nearly eleven times –from 1.166.477 to 12,782,960- (Turkstat, 2009).

²² See Uzun, 2001; İslam, 2003; Behar and İslam (eds), 2006 for the case study of these neighborhoods.

Table 4.3 : Matches the driving agents discussed in the World and İstanbul

* Do not encompass the factor.

FORMATION OF POTENTIAL GENTRIFIERS	FORMATION OF GENTRIFIABLE HOUSING STOCK	
Factors Discussed in Cultural Argument	Factors Discussed in Economic Argument	
<p>A1. New Middle Class</p> <p>A2. Grow in "White –Collar Employment"</p> <p>A3. Rise In Female Labor</p> <p>A4. Homosexuals *</p> <p>A5. Artists</p>	<p>B1. Investors / Devolpers</p> <p>B2. Rent Gap</p> 	<p>FIRST WAVE OF GENTRIFICATION IN ISTANBUL</p>

The rapid growth of the city due to rural migration increased the gap between the socio-spatial structures of the neighborhoods since the 1950s. The inner city neighborhoods which have historic and architectural valued housing stock became dilapidated areas between 1960 and 1980. In the 1980s with changes in the political and economic world and the development of foreign commercial relations, İstanbul entered a process of urban restructuring which was particularly influential on these historic neighborhoods (Uzun, 2001).

Middle and high income groups began to move into the historic neighborhoods as well as renovate their houses. This process has led to the socio-spatial transformation of neighborhoods due to the inclusion of new groups and exclusion of the former. The residences of these districts have been changing hands since the 1980s (Ergün, 2004). New comers have restructured the quarters according to their culture and life styles.

İslam (2005) asserts that two preconditions that have come about facilitated the gentrification in İstanbul. First is the formation of potential gentrifiable housing stock and second is the formation of potential gentrifiers. I discuss these two preconditions in the frame of driving agents of gentrification that are discussed in the second chapter. At this point, I argue that the formation of gentrifiable housing can be evaluated within the scope of the "rent gap theory" of economic argument and formation of potential gentrifiers can be evaluated within the frame of "new middle class" of cultural argument.

The historic housing reserve of gentrified neighborhoods belongs to the late 19th and early 20th centuries (Coşkun and Yalçın, 2007). These neighborhoods were inhabited by different ethnic and religious groups at that time. The residents of the period were dominantly non-Muslim, high income, high educated people. After Turkish Republic was founded, the owners of these houses moved out due to several economic and political reasons. Şen (2005) systematized the movements of the population chronologically as follows:

1914 -1924: The non-Muslim population began to migrate the country due to economic and political reasons (*First World War Period*).

1923-1924: Obligatory Population Exchange Between Turkey and Greece.

1942: The relay of property due to wealth tax ².

1948: The foundation of Israel and migration of Jews from Turkey.

1950s: The rural immigration to İstanbul, attacks against non –Muslim groups on 5-6th September, 1955.

1974: The abandonment of Greeks due to disagreements between Greece and Turkey, 1974: Cyprus operation.

1980s: Second rural immigration to İstanbul.

This massive flight of the high income minority groups and inclusion of the low income rural migrants coincided with neglected inner city quarters along with the change in the social characteristics of historic settlements. Hence, social transformation led to spatial transformation. The houses that were built for one family began to be occupied by five even six families. The houses lacked of maintenance due to the poverty. Streets became only public spaces for some neighborhoods and districts neglected by the local governments in terms of municipality services.

By the 1980s these neighborhoods became potential gentrifiable areas with their easily "displaceable" inhabitants and inexpensive housing stock (İslam, 2005). Despite the architectural and historic features of these houses and their proximity to center, the property value of them was rather low due to neglect. Thus a "rent gap" occurred in these neighborhoods which attracted the potential gentrifiers. Smith (1979) defines "rent gap" as:

"Only when this gap emerges can redevelopment be expected since if the present use succeeded in capitalizing all or most of the ground rent, little economic benefit could be derived from redevelopment. As filtering and neighborhood decline proceed, the rent gap widens. Gentrification occurs when the gap is wide enough that developers can purchase shells cheaply, can pay the builders' costs and profit for rehabilitation, can pay interest on mortgage and construction loans, and can then sell the end product for a sale price that leaves a satisfactory return to the developer. The entire ground rent, or a large portion of it, is now capitalized; the neighborhood has been "recycled" and begins a new cycle of use" (Smith, p.68, 1979).

Thus, first precondition was formed. The next was the production of potential gentrifiers. In this sense, impact of globalization and neoliberal policies play the most significant role in the formation of potential gentrifiers. Driving agents of cultural argument emerged in İstanbul as a reflection of globalization and they were supported by neoliberal policies.

The impact of globalization reshaped most of the cities in the World. This phenomenon has led the city centers to be restructured and to compete to other centers (Ergün and Dündar, 2004). Since the 1980s, the weight of the economic activity which is in the industrial production has shifted from production to finance and highly specialized services (Sassen, 2001). The transition from industrial city to global city, where the service sector replaced with the production sector, affected the development of cities (Ergün and Dündar, 2004). In parallel with the economic and political changes in the World, a transformation process also began in İstanbul. Globalization has led to economic, social and spatial change in the city (Uzun, 2001). İstanbul is the only city where the impacts of globalization can be observed with all its dimensions in Turkey (Uzun, 2001). The economic changes have led to the shift from mass production to specialization and formation of a new global economy.

The year 1980 was a turning point for Turkey (İslam, 2006). Turkey adopted the privatization model as a reaction to the emerging process of globalization (Uzun, 2001). The closed market economy was abandoned and the open market economy which liberalized the import trade was taken over (Behar, 2006; Keyder 1999). İstanbul became an attractive point

for foreign capital (Uzun, 2001; İslam, 2006). The most obvious sign of this evolution was the increase in the import trade numbers as well as in foreign investments. İslam (2006) expressed the economic transformation in İstanbul through the statistics. Between 1980 and 2001, the import and export trade capacities increased respectively 5 and 10 times (DİE - 2001; 2002b). At the same period, foreign investment increased 28 times and the number of foreign companies rose from 78 to 5841. Another significant change occurred in the composition of foreign investment: the percentage of industry declined from 91.5 % to 45.2% and the percentage of service sector grew up to 43 % from 8.5 %. These evaluations also influenced the employment structure of the city. While, industrial employment was declining, new service sector employment raised. Besides, finance, insurance, and real estate sectors provided nearly 100000 new labor forces. Thus, one of the outcomes of new economy was the new middle class.

Another factor was the rise in women labor force. Only 2 % of women living in İstanbul were graduated from University in 1975. This ratio rose four times in 2000 –twice of the rise in the men- . Correspondingly, the labor force of women increased two times between 1980 and 2000 – from 14.9 % to 27.3 % - (D.İ.E 2002).

Further driving agent mentioned in the cultural arguments is artists. Artists often play a significant bridging role in the gentrification process (Ley, 1996; Zukin, 1995). Artists also acted as pioneers in the gentrification of İstanbul. They moved into old, decayed settlements due to their impressive architectural and historic fabric. Moreover, the housing stock of these neighborhoods was favorable for their studios, artistic spaces and venues due to their proximity to center and low costs. After they moved in, they upgraded the physical environment, organized cultural activities and thus attracted the other middle / high income groups. Accordingly, Cengiz Bektaş (architect) in Kuzguncuk and Bilge-Erkan Mestci (artists) in Ortaköy acted as initiator of the process in these neighborhoods and they are followed by their friends.

The transformation of economy and demographic changes led to the creation of potential gentrifiers. During this period, when İstanbul's economy was opening to the World, it was almost impossible for the middle class to find an escape for themselves (Öncü, 1997 cited in Coşkun and Yalçın, 2007). Many members of the middle / high income groups that had previously worked and lived in the central areas of the city moved to business centers and new buildings constructed outside the city (Ergün, 2004). Another part of this middle class rediscovered the old quarters that are characterized by a more cosmopolitan structure. Not only ex-middle class attended to establish a life over the old settlements, but also a new

middle class which is composed of young professionals, educated and employed women also began to move into these old neighborhoods. Thus, people from all these groups became the actors of gentrification process in Istanbul.

After all, İstanbul experienced the first signs of the gentrification on the either side of Bosphorus, namely Kuzguncuk and Ortaköy. Kuzguncuk was a settlement where Muslims and non-Muslim populations have lived together peacefully throughout the history. The change in the social structure of the neighborhoods began with the out-migration of the minority population which started at the end of the First World War (Uzun, 2001). In the 1950s, social structure of Kuzguncuk has changed because of the declining in minority population and rural migrants to Istanbul (Uzun, 2001). The neighborhood was complaint of neglect until the 1980s.

The transformation in Kuzguncuk was initiated by Cengiz Bektaş who is a well-known architect (Uzun 2001). He purchased and renovated an old building, then prepared a planning program to revitalize the environment. Bektaş was followed by his friends and district transformed a place preferred by artists, poets, musicians, architects and writers (Uzun 2001). These new comers organized social activities and made the residents to aware of their environment by the creation of public participation. Residents became interested in the restoration of houses and improving the environment (Uzun, 2001; Ergun, 2004). Furthermore, while Bektaş's friends were moving into, the former residents were pleased to sell their old houses to move a modern neighborhood.

Despite some moving out families during the process, transformation of residents was limited with the effort of this new, intellectual group. The government also contributed the conservation process launched by Bektaş, through the legal arrangements which put some restrictions to the new building activities and protect the natural environment (Uzun, 2001). Kuzguncuk is located in the fore front view area of the Bosphorus which is within the scope of Bosphorus Development law passed in 1983. Therefore, the physical structure of the neighborhoods – at least façades- is protected by the help of this law. As a result, transformation provoked public awareness and succeeded environmental upgrading (Uzun 2001, Ergun 2004) but caused increase in price of land and property –the price of the building sites has raised six times between 1998-2002 but happily with a limited transfer of population (Ergün, 2004).

Another neighborhood where the process of first wave gentrification occurred during the 1980s is Ortaköy. Ortaköy is located almost directly across from Kuzguncuk on the European side of the Bosphorus, set on one of the most beautiful points of the Bosphorus. Ortaköy was a settlement that Turkish, Greek, Armenian and Jewish societies lived together harmoniously during the Ottoman Empire. Ortaköy reflects this historic richness by its three religious sanctuaries of a mosque, synagogue and church as well as its unique examples of 19th century civilian Ottoman architecture. Like Kuzguncuk, Ortaköy was also settled by low-income families after the Greeks, Armenians and Jews left the district in the 1950s. During this period, the district began to decay since the low-income families could not afford to rehabilitate their houses.

Government has played an indirect role in the gentrification process of Ortaköy (Ergün, 2004). In the 1970s, a project was prepared to establish a handicraft village by Ministry of Culture (Ergun, 2004). This was the first sign of a new approach for the historical buildings on the area (Coşkun and Yalcın, 2007). Some different colors were determined for the existing buildings that would be nominated for renovation. But the implementation has been unsuccessful and some of the historic buildings could not be conserved. (Akın 2003, cited in Ergun, 2004).

In the 1980s, two local artists Bilge and Erkan Mestçi opened an art gallery in Ortaköy (Ergun,2004). As in the Kuzguncuk process, they were also followed by their friends. Thus, socio-spatial structure of the district began to transform. In 1989, the local government initiated a project for Ortaköy Square and its surroundings. In this period, the square was reorganized, the urban furniture was renewed and new restaurants as well as cafes opened. In this period, the old buildings with sea view were purchased and renovated by high income families and gentrification process of the district accelerated.

Other buildings around the square have begun to be occupied by artists and intellectuals. Following, the bars, taverns, discotheques began to move in. This led to increasing traffic and park problems along with the over noise and caused first gentrifiers to move out. Thus, the functions of residences mostly transformed to commercial units and Ortaköy became a very popular area with its expensive, in style bars, restaurants, shops not only in İstanbul but even in Turkey.

Gentrification processes appeared in Beyoğlu notably in Asmalımescit, Cihangir, Galata districts in the late 1980s. Typical of these districts is the housing stocks of them belong to 19th and early 20th century with Bosphorus views and located close to the famous major

pedestrian, a commercial and cultural axes İstiklal Street. Apart from the features of the districts, the pedestrianisation of Istiklal Avenue and "Beautiful Beyoğlu" project fuelled the gentrification processes in three Beyoğlu neighborhoods, namely Galata, Asmalımescit, Cihangir.

Asmalımescit is located between the İstiklal and Meşrutiyet Avenues and facing Golden Horn from a higher position. The district was famous with its western style life and settled by poets, painters and journalists in the early 1930s. The district even became topic of a book by Fikret Adil (1933) named as *Intermezzo Asmalımescit (Bohemian Life of Asmalımescit)* which deals with the lives of artists, writers, poets, journalists inhabit in Asmalımescit. The neighborhood was well-known with its restaurants, cafes, nightclubs and taverns. They are side by side with masonry row houses and apartment buildings from 19th century which were built in western style (Coşkun and Yalcın, 2007). These wealthy residents deserted the neighborhood after the Second World War similar the other historic inner cores. In the 1970s, the buildings were occupied by the low-income immigrants and the socio-cultural structure of the settlement has changed. During this period, the commerce collapsed and prices went down. Asmalımescit was living the same decay process like other gentrified districts in the early 1980s. Meanwhile, artists and intellectuals began to take an interest in neighborhood. They purchased apartments to use as studios. These people were followed by restaurants, cafes, art-galleries which began to gain more popularity after 2000. (Coşkun and Yalcın, 2007). At the present time, the entrance floors of these historic buildings were occupied by art galleries or bookshops. This end of the İstiklal Street in Beyoğlu has become an alternative, well-known place for going out .

Cihangir is located on the European side of İstanbul with a charming view of Bosphorous and historical peninsula. Like other gentrified districts, Cihangir's inhabitants were mostly non-Muslim wealthy population. At the beginning of the 20th century, its timber constructed housings scene was interrupted with the big fire disaster and no other was built after 1916 (Ergün, 2004). At the beginning of 20th century, multi-storey masonry apartment buildings have started to appear and this turned Cihangir into a dense residential neighborhood (Uzun, 2001; Coşkun and Yalcın, 2007). The area became dilapidated in where low-income and marginal groups moved.

The gentrification period of the district began in the 1990s parallel to transformation activities in Beyoğlu. After pedestranization of İstiklal Street the district gained more importance. Artists and intellectuals began to show an interest due to its historic fabric (Uzun, 2001). The areas' socio-economic structure changed rapidly in the 1990s as its

popularity grew (Üstdiken, 1993; Elmas, 1999; Betin, 1999 cited in Uzun, 2000). New – comers were high educated people who took the possession of the district. In this respect, Association for the Beautification of Cihangir was established in 1995 as a sign of the residents' awareness. The aim of the association, most of whose members were architects and professionals, was to protect the unique structure of the apartments in the neighborhood as well as to upgrade the quality of urban environment. Through this foundation, the revitalizing activities gained an organized structure (Ergun 2004). As a result, the profile of the population living in the neighborhood changed radically during the social renovation of Cihangir (Uzun, 2001). Gentrification proceeded at a rapid rate and caused a sharp increase in apartments prices (İslam, 2005). The process also fueled by " Beautiful Beyoğlu" ²³ as well as the revitalization of Cezayir Street(French Street) and the entrepreneurs entered the area. At the end, Cihangir transformed into an area in which middle -high income groups inhabit. The houses' prices in the area still tend to increase with its gentrified profile, gentrifiers and eager investors.

Galata is an old Genovese quarter adjacent to the historic peninsula of İstanbul. It is located on the north shore of Golden Horn overlooking the sea. More than half of the districts' population was non-Muslim until the 1930s (Ergün, 2004). After the 1950s, Galata lost its original population who were mostly non – Muslim minorities (İslam, 2005). The area became dilapidated with rural migrants. The buildings' interior plans changed and re-functioned by new comers (Coşkun and Yalçın, 2007). Furthermore, the commercial life was subject to a radical transformation in the 1980s, being the first place to halt the migration from the east and southeast (Kazanc, 2002 cited in Ergun, 2004). The withdrawal of the financial sector from this area had a great impact on the commercial life of Galata.

The existing housing stock of the district are the masonry apartments around the Galata Tower built at the early 20th century (Oncel, 2002 cited in Coşkun and Yalçın, 2007). According to İslam (2002), the rehabilitation projects starting from 1980's by Beyoğlu Municipality affected the district and first signs of gentrification were in evidence by the end of 1980s. The architects and artists purchased or rented the historic buildings with high ceilings to use as studios (Ergün, 2004). The new comers became quickly organized to beautify local environment. (Ergün, 2004). They attracted people by festivals and cultural activities (Ergun, 2004). The inclusion of new groups grows after 1995. According to a survey conducted by Islam (ibid.), only 17.3% of the gentrifiers moved to the area before

²³ At the beginning of the 2000s, Beyoğlu Municipality initiated a restoration project called ' Beautiful Beyoğlu Project' which renovated the elevations of nearly 5000 buildings(www.guzelbeyoglu.com)

1995, but the figure rises to 60.8% during the last four years. Nevertheless, gentrification at Galata proceeded at a slower rate than Cihangir or Asmalımescit (İslam, 2005). However, the process gained momentum and entered a new phase in the early 2000s (İslam, 2005). This phase is marked by investments of development companies and large-scale investors rather than individual initiatives of artists or "new" middle class. Scale and run of process have changed and transformed from individual cultural concerned desire to materialistic desire to earn profit (İslam, 2005).

4.2. Contemporary Gentrification in İstanbul (Second and Third Waves)

"The desire of governments for a 'renaissance' of their cities is a defining feature of contemporary urban policy. From Melbourne and Toronto to Johannesburg and İstanbul, government policies are successfully attracting investment and middle-class populations to their inner areas. Regeneration - or gentrification as it can often become - produces winners and losers" (Shaw, p.iii, 2009)

"As the economic engine of the modern Turkish economy, İstanbul occupies yet another pivotal role and aspires to be one of the leading cities in the new world hierarchy of cities, which brings along a variety of problems of "integration and disintegration" to the forefront in the agenda of local administration and planning". (Kadir Topbas, Mayor of Metropolitan İstanbul, cited in Tunçer, 2006)

"We should find a way to keep poor people from city of İstanbul ." (Erdoğan Bayraktar, Chairman of Housing Development Administration, 2006 as quoted in Gough and Gundogan, 2009)

These three statements express us the contemporary gentrification in the World and its reflection to Turkey concisely. Until the 2000s, İstanbul witnessed the "classic style" of gentrification. Artists and progressives moved into neglect, shabbier neighborhoods with low income inhabitants in city centers. They upgraded the environment and attracted their companions and thus, demand pushes the prices beyond the reach of existing low income residents. With the new millennium, a new era also began in the process. Gentrification emerged as a spatial component of a profound transformation in capitalist world that was evident in the efforts of regeneration for gaining a role in the global urban competition (Güzey, 2006). İstanbul also participated to the competition and witnessed new gentrification process. This part focuses the third wave of gentrification or contemporary gentrification in İstanbul. In this part, I discuss the events and legal arrangements that led to

gentrification along with the actors of the process in recent phase in order to create a holistic perspective.

A further term discussed within the scope of third wave gentrification is "New-build" gentrification²⁴. While some scholars agree that "New-build" is not a type of gentrification but rather it is redevelopment or residentialisation (Lambert and Boddy, 2002; Butler, 2007b; Boddy 2007; Buzar *et al.*, 2007 cited in Davidson and Lees, 2009), in line with Murphy (2008), Davidson and Lees (2009), I agree that new-build is also a type of gentrification since it promotes a social displacement (direct or indirect), attraction of middle-class and re-investment of capital in the disinvested urban areas. Furthermore, apart from the new-building activities in the inner city, demolition of the existing housing and construction of new buildings with a new "lifestyle" is also discussed within the scope of new-build gentrification in the literature²⁵. Hence, as mentioned in the earlier chapter, thesis discusses new-build gentrification within the scope of third wave gentrification.

In this sense, İstanbul also witnesses new-build gentrification with Sulukule and Tarlabası projects. Although the projects also involve the features of third wave gentrification including state intervention to the process, large-scale partnership of state and private sector, they differ from Fener and Balat neighborhoods in terms of the planning approaches. These projects are based on the demolition of the entire area and construction of new "luxurious" residential buildings and commercial activities rather than the regeneration of the old one. In this sense, despite heavy critics concerned to intervention techniques of FBNRP, the project intends to regenerate the area through the restoration and renovation methods beside the reconstruction²⁶ and differs from Sulukule and Tarlabası in this respect.

²⁴ See chapter 2

²⁵ Cameron (2003) discusses new-build developments in inner-city Newcastle (United Kingdom) which have been deliberately built over razed public housing and which therefore demonstrate an aggressive and strategic attempt by Newcastle City Council to attract the middle classes back into specific locations in the city centre.

²⁶ See chapter 5

Table 4.4. The variables led to contemporary gentrification in İstanbul.

CONTEMPORARY GENTRIFICATION IN ISTANBUL		
FACTORS STIMULATING CONTEMPORARY GENTRIFICATION	ACTORS OF CONTEMPORARY GENTRIFICATION	LEGAL ARRANGEMENTS ENHANCING CONTEMPORARY GENTRIFICATION
Globalization	State	Law 5366 “The Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal”
HABITAT II	National Government	
Marmara Earthquake	Local Government	
Candidacy of EU	State Institutions	
Ruling Party and Neoliberal Policies	International Institutions	
	Large Scale Investors	

4.2.1 Factors Stimulating Contemporary Gentrification

This part introduces the evolutions which stimulate the formation of contemporary gentrification. Göksin and Müderrisoğlu (2005) have pointed out that there were three breakpoints including integration with global economy, Habitat II Conference and Marmara earthquake in the development of urban regeneration in Turkey. In line with the authors, I also argue that these factors play significant roles on the initiation of contemporary gentrification in İstanbul together with the candidacy of Turkey to EU and policies of new ruling party. In this part, I express the impacts of mentioned factors on the reinvention of the old city.

In the last three decade, the forces of globalization have been increasingly led to transformation in social and spatial structures of the cities all over the world (Kocabas, 2006). Turkey has always had strong demand to integrate global economy which is particularly accelerated since the 1980s (Göksin and Müderrisoğlu, 2005). From the 1980s on, Turkey has been making great effort to improve its economic, social and environment structure (Göksin and Müderrisoğlu, 2005) Since the 2000s, İstanbul responses the forces of globalization in spatial dimension through the large scale socio-spatial restructuring projects with the state intervention. The shift in politics and economy of Turkey from

national developmentalism to globalist neo-liberalism brought along the project of making İstanbul a global city (Özkan, 2003). New legal arrangements and regulations have been implemented to launch "prestigious" projects. İstanbul participated to the competition in global arena and has been making effort to transform its poor image in the inner city through creating commercial, recreational, tourism, culture, entertainment facilities and luxury residences.

Another important factor was HABITAT II conference that was hold in İstanbul in 1996. The conference had two main themes that are mentioned in the Istanbul declaration. First is the adequate shelter for all and second are the sustainable human settlements in an urbanizing world. Declaration points out that these two themes of the conference have been inspired by the Charter of the U.N and aimed reaffirming current partnerships and forging new ones to act at the international, national and local levels to improve our environment. The declaration was also notable in terms of its emphasis on poverty, equitable development, social exclusion and human rights. In the seventh article of the declaration these issues have been mentioned clearly:

"As human beings are at the centre of our concern for sustainable development, they are the basis for our actions as in implementing the Habitat Agenda. We recognize the particular needs of women, children and youth for safe, healthy and secure living conditions. We shall intensify our efforts to eradicate poverty and discrimination, to promote and protect all human rights and fundamental freedoms for all, and to provide for basic needs, such as education, nutrition and life-span health care services, and, especially, adequate shelter for all..."

Another mentioned issue, which also played a significant role for the future project in İstanbul, was the seeking of cooperation with public, private and non-governmental partners for adequate housing and healthy environments, conservation and rehabilitation:

"We shall promote the conservation, rehabilitation and maintenance of buildings, monuments, open spaces, landscapes and settlement patterns of historical, cultural, architectural, natural, religious and spiritual value...We adopt the enabling strategy and the principles of partnership and participation as the most democratic and effective approach for the realization of our commitments. Recognizing local authorities as our closest partners, and as essential, in the implementation of the Habitat Agenda, we must, within the legal framework of each country, promote decentralization through democratic local authorities and work to strengthen their financial and institutional capacities in accordance with the conditions of countries, while ensuring their transparency, accountability and

responsiveness to the needs of people, which are key requirements for Governments at all levels. We shall also increase our cooperation with parliamentarians, the private sector, labor unions and non-governmental and other civil society organizations with due respect for their autonomy..."

During the HABITAT II Conference, the local authorities conducted negotiations with UNESCO authorities to provide fund for the rehabilitation of Fener, Balat and Zeyrek. Afterwards, UNESCO initiated a survey in these areas. Fener and Balat neighborhoods took the priority due to the existence of many historic buildings in good condition or require basic repairs. Thus the RFBDP was launched in 1997 as a joint programme of Fatih Municipality and European Union. Main objects of the conference were used in the planning approach of the project.

A further breakpoint was 1999 Marmara Earthquake. The disaster caused the death of 17000 people and excessive economic damage. Nearly thirty thousand buildings damaged or collapsed. Moreover, the prediction of a big earthquake in İstanbul accelerated the urban restructuring process in the 2000s. The catastrophe highly influenced the residents' preferences in terms of their neighborhood choice. Middle / high income groups began to move newly constructed, earthquake resistant buildings located outside the city. It has been also put forward as a base for urban regeneration projects. On the other hand, historic neighborhoods in the inner city attracted attention from the local governments. Historic buildings lack of earthquake resistance, narrow roads, layout of the districts, inadequate open spaces were dangerous in the act of an earthquake (JICA & GIMM, 2002 cited in Kocabaş, 2006). In this way, earthquake precautions emerged as an occasion for urban regeneration projects in the inner city.

Yet another decisive incident in the last decade was the announcement of Turkey's candidacy for the European Union. National and regional development of Turkey has long been influenced by international agencies (Arıcanlı, 1990 cited in Kocabaş, 2006) and is incrementally being influenced by EU (Kocabaş, 2006). The candidacy accelerated the efforts to improve the economic, social and physical conditions of the urban areas. Beside, urban planning system is highly influenced by the European legal and administrative framework (Kocabas, 2006). As a result, the "planning culture" of the country has been influenced from the West which in turn, led to influence on the nature and outcomes of conservation planning (Kocabaş, 2006).

Apart from global trends, the changing political structure of Turkey also has had great influence on the spatial restructuring process of İstanbul. In 2002, Justice and Development

Party (Adalet ve Kalkınma Partisi) came to power as single party for the first time after a long period of coalitions. The party was adhered to the reform programme named as “Programme for Transition to a Strong Economy” which was launched by the former government (Balaban, 2008). The major feature of the programme was reducing the government controls in foreign investments and trade, to privatize the public domain enterprises and to open up the different sectors to foreign investment (Balaban, 2008). Correspondingly, JDP has orientation to provide the Turkey’s membership to European Union (Gundogdu and Gough, 2008). In this direction, the party has seen urban restructuring as one of the most important issue in order to integrate global economy (Gundogdu and Gough, 2008). During this period, while several public owned enterprises have been privatized, construction sector has been treated in the opposite way and state involved the production of middle/high income housing, commercial, recreational and cultural for profit projects beside its regularity role.

4.2.2. Actors of Contemporary Gentrification

Gentrification changed and evolved within the years as Loretta Lees (2000) expressed *"gentrification is today quite different to gentrification in the early 1970s, late 1980s, even the early 1990s"*. Gentrification emerged as a spatial component of a broader economic and political restructuring. The difference between the earlier phases and contemporary gentrification is *"that the latter is far more systematic and widespread"* (Sandıkçı, 2005 cited in Gundogdu and Gough, 2009). Further, the most obvious distinctive of the recent phase is the strong state intervention (Hackworth and Smith, 2001; Lees, Slater, 2006 ; Wyly and Hammel, 2007).

İstanbul witnessed the contemporary phase of gentrification since the 2000s. According to Gundogdu and Gough (2009) one of the main differences of the "state-led gentrification" process of Turkey from advanced capitalist cities is the greater importance of national government. In 2002, The Justice and Development Party came into power for the first time. The party also won the local elections of major cities including İstanbul in 2004. Furthermore, the party succeeded in the most of the districts of İstanbul and took the municipalities of them. The JDP put its one of the priority on the urban restructuring due to its emphasize on the integration of EU and global economy. For this purpose, they launched several projects in the name of "Urban Regeneration" to create a "World City" and attract international capital.

In this wise, government also included an institutional actor to overcome the large-scale projects. HDA (Housing Development Administration) involved the projects and new arrangements were conducted in order to empower HDA. State participated into housing sector as producer beside its regularity role (Balaban, 2008). Gundogdu and Gough (2009), juxtaposed the empowerment of HDA in four dimensions. First, it can establish real-estate companies or create partnerships with existing companies. Second, HDA was authorized to undertake for-profit projects through the co-operations with private sector in a system known as "revenue sharing". Third, for the first time, HDA has had authority in urban planning: to make plans at all scales and revise existing plans in areas designated for mass housing and to carry out compulsory purchase of property land within these areas. Finally, the government transposed all the duty and authority of the National Urban Land Office together with its land bank of 64,5 million square meters to the HDA.

Thus, HDA arguable became the largest real-estate actor in İstanbul between 2003 and 2008 (İslam, 2009). Between 2002 and 2009, HDA produced 421.021 residents in 81 provinces. Of these, 182.072 units have been constructed for low and middle income, 107.857 for low income, 47.085 units have been the transformation of squatter areas Finally, 56.508 units have been produced with revenue-share model in the corpse of source development (toki.gov.tr). Revenue-share model refers to revenue sharing of construction made by private sector in return for state-owned land. HDA has taken nearly 40 % of the revenue to use it in affordable housing production (General Manager of GYO, 2009).

This model has great advantages for private sector. State owned urban land is easily obtained and legal procedures are solved in a short time due to the powers of HDA (Gough and Gundogdu, 2009). As a result, the inner city cores became the target of HDA in order to carry out for –profit projects. The existence of huge rent gap also encouraged the private developers. Formerly, small investors or individuals were using "rent gap" in order to gain profit but now large scale real estate and government institutions have been looking for profit through the “rent gap”. But there was an obstacle to carry out projects in these historic settlements, these areas were "*beyond the reach of their powers*", they were under the control of relatively independent preservation boards (İslam, 2009). However, following the 2004 local elections, JDP became the first party in İstanbul and this obstacle was handled via the legal arrangements. At this point, next section explores the law 5366 "Law on the Protection of Deteriorated Historic and Cultural Heritage through Renewal and Re-use" which is concerned to urban regeneration projects in historic settlements.

4.2.3. Legal arrangements led to contemporary gentrification in historic settlements

As mentioned in the earlier chapter, one of the most significant international declarations in terms of its emphasis on social structure is the Declaration of Amsterdam (1975). According to Şahin Güçhan and Kurul (2009), taking The Declaration of Amsterdam in priority as one of the founding blocks of the transformation of architectural conservation in Turkey in the 1970s, conservation legislation has developed in tandem with the international conservation principles in Turkey.

From this point forth, 2004 was an important turning point for Turkey, in which institutional changes began with EU perspective on the purpose of being a member (Şahin Güçhan and Kurul, 2009). The most significant change was to give the municipalities new powers related to *'the conservation and repair of cultural and natural heritage'*, *'defining the scope of urban regeneration and development projects, the provision of development land and housing, for the conservation of urban history and cultural heritage'*, and *'the utilization of 'special planning tools' in these areas* (Şahin Güçhan and Kurul, p.33, 2009). The new era lead to acceleration in conservation activities as well as enabling the emergence of new practices (Şahin Güçhan and Kurul, 2009). However, these developments may also cause the damage of cultural heritage due to the limited number of experts and low quality service of the contractors in the post-2004 periods (Şahin Güçhan and Kurul, 2009)

A series of legal arrangements to prepare the basis for the recent urban regeneration projects have been made after 2004²⁷. This part examines the Law 5366 "Law on the Protection of Deteriorated Historic and Cultural Heritage through Renewal and Re-use", went in effect in 05.07.2005 which is another important progress in contemporary gentrification process as well as crucial to understand the transformation process in case study areas.

The first article of the Law 5366 expresses the aim of the law. According to this, law concerns the historic quarters and protection zones and aims the restoration-reconstruction of the residential, commercial, cultural, tourism and social areas; taking precautions against natural disasters as well as protection of historic heritage through re-use.

²⁷ The Law 5216, *The Law of Metropolitan Municipalities (2004)* and The Law 5393, *The Law of Municipalities (2005)*, entitle metropolitan and districts' municipalities with the right to determine the project areas and carry out the redevelopment, restoration and conservation projects .
The Law.5104, *The Law concerning the Northern Ankara Entrance Urban Regeneration Project (2004)* enacted only for particular areas in Ankara, namely the northern entrance to the city and its surroundings, -Esenboga airport area and its surroundings.

The second article of the law mentions the authorities and procedures in the determination of renewal areas. Accordingly, the critical point is the lack of scientific and technical criteria in the determination of areas. With respect to this article, Municipality Councils determine the renewal areas by overall majority. Besides, decision should be approved by Council of Ministers in 3 months. The only criterion is the renewal area should be located within the borders of protection areas and their related conservation zones.

With respect to this law, the planning and implementation of the projects are independent from the current planning system and legislations. It can be said that local states have nearly full liberty in the developing and implementation of renewal projects (Balaban, 2008). The third article of the law briefly points out that the planning and implementation of projects will be made by municipalities or by provincial local administrations. Moreover, it expresses that co-operations can be done with HDA or property owners.

Accordingly, the law 5366 received many critics from professionals and chambers:

"It is observed that the mentioned law targets alternative solutions for historic quarters of İstanbul which are particularly located in Historic Peninsula. However, these solutions are specific to historic settlements causes invalidity of the previous conservation plans and led to usage of the areas out of public good through the allocation of the areas to private sector." (Şehir Plancılar Odası, 2005) .

Furthermore, according to Ataöv and Osmay (2007), this law defines urban renewal with two conflicting strategies. Conservation of Deteriorated Historic and Cultural Heritage through Renewal involves renewal and conservation strategies. These two different urban transformation strategies cannot be implemented at the same time. Adding this, the law does not define the conditions under which renovation or conservation strategies will be implemented. Table 4.5 indicates the declared renewal areas based on the law 5366 between 06.2006-06.2010.

Table 4.5. The renewal areas in İstanbul (Official Gazette Archives until 17.07.2010)

Publish Date	District Name	Neighborhoods
28.03.2006	Beyoğlu	Tarlabası; Fransız Sokağı; Galata Tower surrounding; Municipality building and its surrounding; Bedrettin Neighborhood
22.04.2006	Fatih	Kurkcubası Neighborhood; Bulgur Palas
02.06.2006	Tuzla	Köyiçi
22.06.2006	Eminönü	Süleymaniye; Hacıkadın; Kalederhane; Mollahüsrev; Hoca Gıyaseddin; Sarıdemir; Yavuz Sinan; Demirtaş
23.06.2006	Zeytinburnu	City walls isolation band
13.10.2006	Fatih	Haraçı Kara Mehmet; Yalı; Küçük Mustafa Paşa; Hüsambey; Kasap İlyas; Hacı Hüseyin Ağa; İmrahor; Arap Emine; Şeyh Rasmi; Hatice Sultan; Ereğili; Kürkcübaşı; Cerrahpaşa; Abdisubaşı; Veledi Karabaş; Beyazıtğa; Molla Aşkı; Sancaktar Hayrettin; Atik Mustafa Paşa; Tahtaminare; Fatma Sultan; Çakırağa
20.07.2007	Eminönü	Katip Kasım; Nişanca; Muhsine Hatun; Şehsuvar Bey; Küçük Ayasofya
25.12.2007	Eminönü	Kapalıçarşı and its surrounding (Beyazıt, Molla Fenari, Taya Hatun Neighborhoods)
04.12.2008	Tuzla	Büyük İçmeler; Küçük İçmeler; Kamil Abduş Lake and its surrounding
20.05.2010	Eyüp	Nişanca; Düğmeciler; Cezrikasım Neighborhoods

After the approval of the Law 5366 "Law on the Protection of Deteriorated Historic and Cultural Heritage through Renewal and Re-use" several regeneration projects were initiated

in different cities. Firstly, Tarlabası, so called " French Street" and its surrounding, Galata Tower surrounding, Municipality building and its surrounding and Bedrettin neighborhoods have been declared as "renewal areas" in 28.03.2006.

Tarlabası is a deprived inner city neighborhood, located in the northern part of Beyoglu on the European side of the Istanbul just opposite to the Historical Peninsula. The neighborhood was also known with its high crime rates (İslam, 2009). In the early 2005, Beyoglu Municipality initiated renewal projects for deteriorated parts of Beyoglu but particularly for Tarlabası. After the law "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties" was enacted in the early July 2005, six renewal areas including Tarlabası were determined. The renewal area encompasses 9 city blocks and 278 buildings within the area of 20000 m². (Figure 4.1). GAP Construction Company won the tender in 16.03.2007 and signed an agreement with Beyoğlu Municipality in 04.04.2007.



Figure 4.1: Tarlabası regeneration project (www.tarlabasiyenileniyor.com)

The transformation project is based on a model of public–private partnership where responsibility for its preparation and implementation rests with a contractor company (GAP). The project proposes a new "lifestyle" for the districts through the construction of luxurious residential buildings as well as commercial units such as shopping malls, cafés and hotels (Figure 4.2- 4.3)



Figure 4.2 Images of the residents in Tarlabası regeneration project (www.tarlabasiyenileniyor.com)



Figure 4.3 Produced Images of the residents in Tarlabası regeneration project (www.tarlabasiyenileniyor.com)

The property owners of the buildings had three options similar to other "5366 projects" that (1) be partner (2) sell the property (3) the property will be expropriated. Hence, the property owners are enforced to participate the projects. As a result, the mayor mentioned that they could agree with 70% of the property owners and they went to low for the expropriation of the remaining 30%.²⁸ Nevertheless, the demolishments began in August, 2010

²⁸ Interview of Beyoğlu Mayor in <http://www.zaman.com.tr/haber.do?haberno=1020373&title=tarlabasinda-kentsel-donusum-basladi>

.One of the most sensational renewal projects is conducted on Neslişah and Hatice Sultan neighborhoods known as "Sulukule". Sulukule is an old residential inner-city neighborhood in the historic peninsula and dates back to the Byzantine period. The area is known as the home of low income roman people who mostly deal with music and entertainment sectors. The neighborhoods have suffered from neglect and several infrastructural problems until 2005.

Following the enacting of Law 5366 "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties" an area of around 46091.19 square meters including 12 plots, 354 parcels and 22 registered buildings was declared as renewal site in 2006. In Sulukule case, the project is based on the partnership of the local municipality and HDA which are working together to demolish the entire area to construct new, upscale housing including high rise buildings, hotels and underground parking instead of one-storey roman houses (İslam, 2009).



Figure 4.4: The renewal project of Sulukule (resource: www.mimdap.org)

However, the project received several objections from the activists and international agencies. This radical transformation being proposed by the municipality has raised questions related to physical and social authenticity of the neighborhoods (İslam, 2007). The inhabitants must pay the construction cost of the new units in order to stay in their neighborhoods. Besides, the tenants have the right to move council houses of HDA in Taşoluk where 30 km away is. However, low income, existing inhabitants could not afford to pay construction costs and thus they have displaced. The municipality has been widely

criticized due to the lack of strategies in order to prevent displacement of former inhabitants along with the planning approaches that destroy the authenticity of buildings and urban fabric.

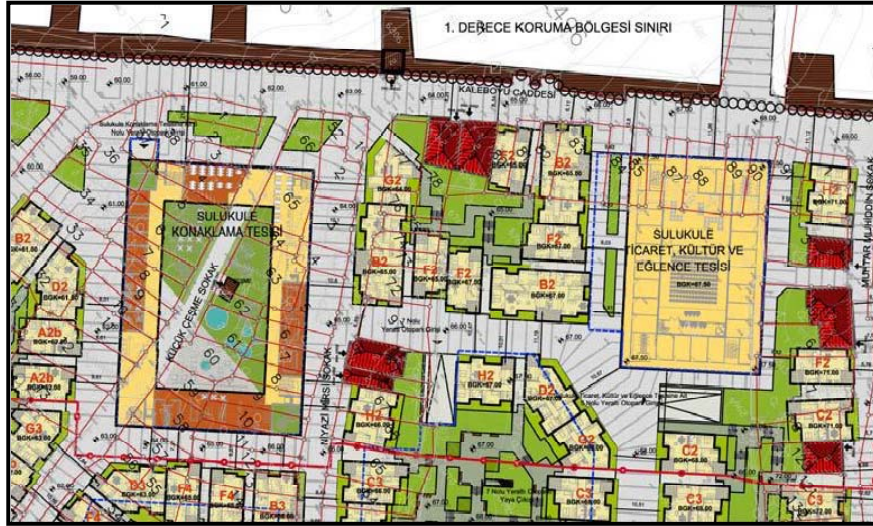


Figure 4.5: Hotel and recreational buildings in the Project (resource: thesis study of Miray Baş,2008)

Therefore, the activists including academicians, architects, planners, artists and university students proposed an alternative solution for Sulukule. However, Fatih Municipality did not give an inch and demolition began in February, 2008.

Following, both international and national agencies and activists accelerated warnings and protests. OECD (Organization for Economic Co-operation and Development) gave place Sulukule in detail. A committee from UNESCO visited Sulukule. However, demolition did not stop in Sulukule. Meanwhile, a group of activists called as "STOP" (Sınır Tanımayan Otonom Plancılar) designed a new renewal project including strategies to upgrade the living conditions of existing inhabitants as well as to conserve the urban fabric of the neighborhoods. Their alternative project attracted great attention and even they presented the project to mayor (Figure 4.6). However, despite alternative solutions and protests, demolition continued. Meanwhile, several visits from national and international committees continued.



Figure 4.6: Alternative Project for Sulukule by STOP-present condition-municipality plan-alternative plan (resource:alternatifsulukule.org)



Figure 4.7: Demolishment in Sulukule(resource:www.sulukulegunlugu.blogspot.com)

Finally, the demolition ended in November, 2009. 337 families moved to social houses of HDA in Taşoluk. However, only 25 families has remained, the others have moved due to high monthly costs of houses and fares²⁹

On the other hand, the implementations of new project including 620 residents and 42 commercial units began in 2010. However, the construction area was an archeological site

²⁹ Taken from the interview of Şükrü Pündük –a former inhabitant of Sulukule- in www.bianet.org

and groundbreaking implementations have not been conducted according to the technical requirements for archeological sites. Accordingly, the groundbreaking of the project has received excessive objections and Chamber of Architects went to law against municipality and HDA.

The project also came to the fore of UNESCO report for İstanbul in 2008. The report defined the project as gentrification project and pointed out that it threatens the social and physical authenticity of the protected zone:

"This project has met considerable debate and the mission recommends that a balance must be found between conservation, social needs and identity of local communities... The project involves gentrification of the area and displacement of the long-established Roma population, the traditional musicians of the city, far to the west in Taşoluk. The single-storey Romany courtyard houses are to be replaced with taller buildings, including a new hotel and underground car parking, which will radically alter the existing urban tissue of the area. This is a very sensitive issue which has been brought to the attention of the European Parliament and the cabinet of the Prime Minister of Turkey. The scheme was approved by the Board for Renewals on 2nd November 2007 and the number of registered buildings has been increased from 22 to 44, including historic monuments". (UNESCO, 2008)

In this new global system, it is crucially important for cities to attract foreign investment and compete in the global arena. For this purpose, governments look forward to remove poor from the inner city and create a wealthy image in this way. On the other hand, international declarations encourage projects which aim to upgrade socio-economic status of existing inhabitants beside physical conditions of neighborhoods. İstanbul have experienced different forms of transformation projects in the last decade and the impacts of the projects on former residents differ according to actors of these different projects.

CHAPTER 5

CASE STUDY: REHABILITATION OF FENER BALAT DISTRICTS PROGRAM (RFBDP) and FENER -BALAT NEIGHBORHOODS REGENERATION PROJECT (FBNRP)

This chapter concentrates on the examination of RFBDP and FBNRP. It first examines the Fener-Balat districts in terms of its location in Istanbul, and its spatial and socio-economic changes in history before the implementations of RFBDP. In this way, it intends to analyze the changes after RFBDP. Second, it presents the comparison of RFBDP and FBNRP in terms of their organizational structures, strategies and objectives. Finally, third part explores the changes after RFBDP in order to examine the impact level of the project.

5.1 Fener and Balat neighborhoods- spatial, economic and social changes until RFBDP

Fener and Balat are two adjacent neighborhoods inside the borders of Fatih district that covering an area of 13 km² in Historic Peninsula the most part of whose enlisted in the UNESCO World Heritage List³⁰. The neighborhoods surrounded by Byzantine city walls from the 5th century AD to the west, Marmara Sea to the south and Golden Horn to the north (Figure 5.1). The neighborhoods are situated by the Golden Horn which is an 8 km long arm of the Bosphorous that goes right into the heart of the city and passed through three bridges; Galata, Atatürk and Golden Horn.

³⁰ See also chapter 3-Selection of case study



Figure 5.1 Location of Fener-Balat neighborhoods

One of the most significant elements in the identity of Fener is the Greek Orthodox Patriarchate. Fener was dominantly Greek neighborhood since the Byzantine period due to location of the Greek Patriarchate and the Orthodox Church (Fatih Municipality, et al, 1998). In the 17th century, Fener became the residence of wealthy minority groups who inhabited in the hewn stone buildings with rich ornamented façades. During this period, an important segment of these Greek residents were well educated and held high governments positions (Fatih Municipality, et al., 1998).

The population structure of Fener began to change in the 19th century due to four main reasons (Bezmez, 2009). First, new quarters of the city became the focal point of commercial activities due to İstanbul's new position as a nodal point (Tokatlı and Boyacı, 1999 cited in Bezmez, 2009). Therefore, immigrations began towards to the bourgeois neighborhoods such as Prince's Islands, Kadıköy and Şişli. Second, Ottoman Empire promoted industrialization in the Golden Horn parallel to developments in the World and constructed various industrial establishments (Göktaş, 1994 cited in Bezmez, 2009). As a result, area's attractiveness as a residential district diminished and high income residents began to move out. Third, the cholera epidemic in 1865, an extensive fire in 1874 (Narlı, 1997 cited in Bezmez, 2009) and the earthquake of 1894 (Akın, 1994 cited in Bezmez, 2009) had great impact on the structure of neighborhoods. Finally, the mass exodus of the non-

Muslim communities during the early twentieth century (Narlı, 1997 cited in Bezmez, 2009) and rural migrants from Anatolia (Tutel, 2000 cited in Bezmez, 2009) fuelled the social transformation.

As for Balat, the neighborhood was known as a Jewish quarter with small Armenian population. Balat together with Hasköy were the leading Jewish quarters of İstanbul. Balat's winding streets were a meeting ground for navigators, seafarers, street vendors and porters (Fatih Municipality, et al., 1998). After the series of events mentioned above, the inhabitants of the neighborhood left the area and moved to Galata. Particularly, after the establishment of Israel, one fourth of the Balat population left the neighborhood (Fatih Municipality, et al., 1998). In this period, Jewish community became minority and the structure of population changed radically with the new immigrants from Black Sea. In the 1960s the remaining Jewish inhabitants moved to Şişli. Thus, Balat became the quarter of working class with its job opportunities and low rents (Fatih Municipality, et al., 1998).

The new Turkish Republic took initial steps to plan İstanbul's development as a total unit. Thus, warehouses, factories, plants and stores began to be built according to the Heri Prost's plan (Fatih Municipality, et al., 1998). Hence, around 700 factories and more than 2000 related business was established along Golden Horn shorelines throughout the following decades (Bezmez, 2009). This development caused a destructive impact on vacant lands. The connection between neighborhood and sea was interrupted as well as seashore of Golden Horn became unusable because of the waste product and water of factories.

In the 1980s, significant attempts began to transform Golden Horn into an area of museums, exhibition centers and tourist services in order to help marketing of İstanbul as "the global city "(Bezmez, 2009). Hence, Haliç became a priority project for mayor of the period and "*the symbol of his vision for civilized İstanbul* " (Cumhuriyet Gazetesi, 2 January 1989, cited in Bezmez, 2006). Accordingly, he evicted more than 600 small manufacturing establishments, demolished some 30000 buildings and built wide roads and green spaces in their place (Keyder and Öncü, 1994; Erden, 2003; Yenen and Yüçetürk, 2003 cited in Bezmez, 2009). Between 1984 and 1987, large numbers of stone buildings that belong to the 18th century along the Golden Horn were also demolished according to the policies of mayor. At the end, the seashore became an ordinary "park" without taking consideration of rich historic and natural characteristics of the area (Fatih Municipality, et al., 1998). Finally, Haliç seashore became a large tract of vacant land which is appropriate for new developments in globalizing world (Bezmez, 2009).

Already poor conditions of the neighborhoods got worsened after the relocation of naval docks. The eviction of industry meant unemployment and poverty. With the removal of industry, the rents fell down, the district became an isolated, decayed settlement of temporary, poor, and marginal groups. Thus, they couldn't afford to finance the maintenance of the historic housing stock.

Additionally, the lack of infrastructure, inadequate transportation services, dilapidated urban environment and closeness to Golden Horn that transformed a sewer with bad smell, accelerated the decay of the area.

On the other hand, the neighborhoods have unique urban and architectural value. The architectural richness of the districts can be traced from the religious buildings and the facades projecting a harmonious view because of the bay windows (Figure 5.2-5.3) The area is rich in architectural and cultural heritage and hosted a variety of different groups throughout the history.



Figure5.2: Aya Yorgi Fener Greek Orthodox Patriarchy Church (resource: www.sacreddestinations.com)

Figure 5.3: Sveti Stefan Church (resource: Personal archive, 2009)

5.1.1 Environmental and spatial features and constraints of the district before RFBDP

Fener and Balat neighborhoods are located between the Byzantine Period city walls in the north, significant monuments in the west, Jerusalem Patriarchate in the northeast and with more recent buildings and sites belong to Greek Orthodox Patriarchate in the east (Figure 5.4)

Arriving district from East is easier due to transit road that is going along the Golden Horn shore and connected to peripheral highway. On the other hand, the attractiveness of district is diminished because of the inadequate transportation, narrowness of the streets and lack of parking facilities. The connection of the district with other neighborhoods is more complex. Fener and Balat neighborhoods had been arranged with regular and perpendicular street plan. A number of existing access roads follow the geomorphologic structure and the routes that probably date back to ancient times and restrict the transportation due to their narrowness (Fatih Municipality et al., 1998).



Figure 5.4: View of Fener and Balat Neighborhoods (Fatih Municipality, et al, 1998)

5.1.1.1. Buildings

The neighborhoods had been arranged according to the grid-iron plan(Figure 5.5). The neighborhoods' urban structure is typical and parcellation after the fire is unique (Fatih Municipality et al., 1998). However, the fires occurred in 19th century caused large scaled transformation in the urban structure. After 1856 Aksaray fire and 1865 HocaPaşa fire, new regulations and fire precautions were arranged by the authorities and new building materials such as glass, brick, iron and roof tiles came up (Fatih Municipality, et al, 1998)

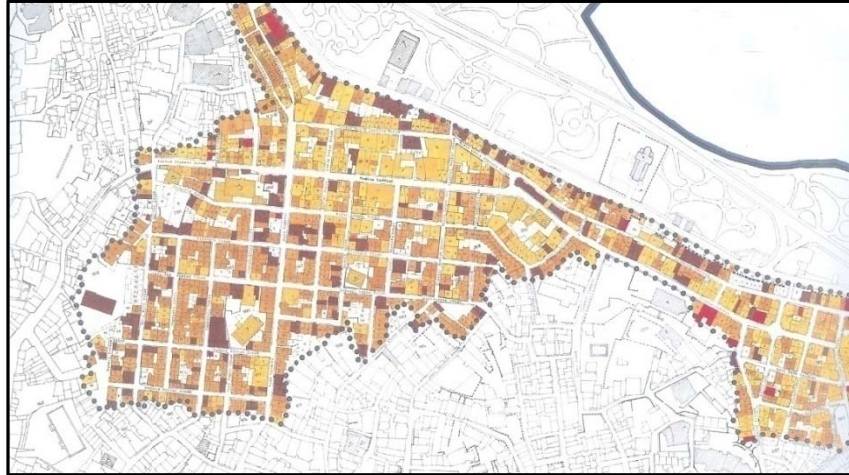


Figure 5.5: The gridiron plan of the district (Fatih Municipality, et al., 1998)

Thus, a new kind of residential type called "row houses" with better fire resistance became widespread, which have been radically different from Ottoman style (Figure 5.6) (Fatih Municipality et al., 1998). These new buildings have been built on small parcels with fire protection walls and main entrance doors in a higher position than road level. The row houses which reflect the Anglo and Gallic architectural styles, were built according to rationalism understanding of their construction period (Fatih Municipality et al., 1998).



Figure 5.6: The bay windows of the row houses.(Resource :Personal Archive, 2009)

According to 1998 report, there were 20 buildings in ruin and more than 240 buildings dilapidated in 1998. This indicates that 20 % of the housing stock was in poor conditions. Out of the 1401 lots on the selected area, there were not buildings on 102 lots (7%), there were 68 vacant buildings (5.4%) and 124 partially empty buildings (9.7%) (Fatih Municipality et al., 1998). There are 12 listed monuments, 508 listed buildings (40%) and 693 buildings that were built before 1930 (Figure 5.7). Some of the listed buildings were demolished or new buildings were constructed on their lots (there were 8 concrete buildings on the listed lots). Similarly most of the listed buildings were exposed to a lot of change in time. The majority of the buildings were accommodated as residence. According to surveys, 157 buildings (13%) required extensive repairs, 365 buildings that required rehabilitation at middle level (30%) and 376 buildings (31%) in need of basic repairs. Finally a quarter of the physical stock (26%) was in good condition and did not require any rehabilitation work. 125 of these 304 buildings (41%) had been constructed in recent time.

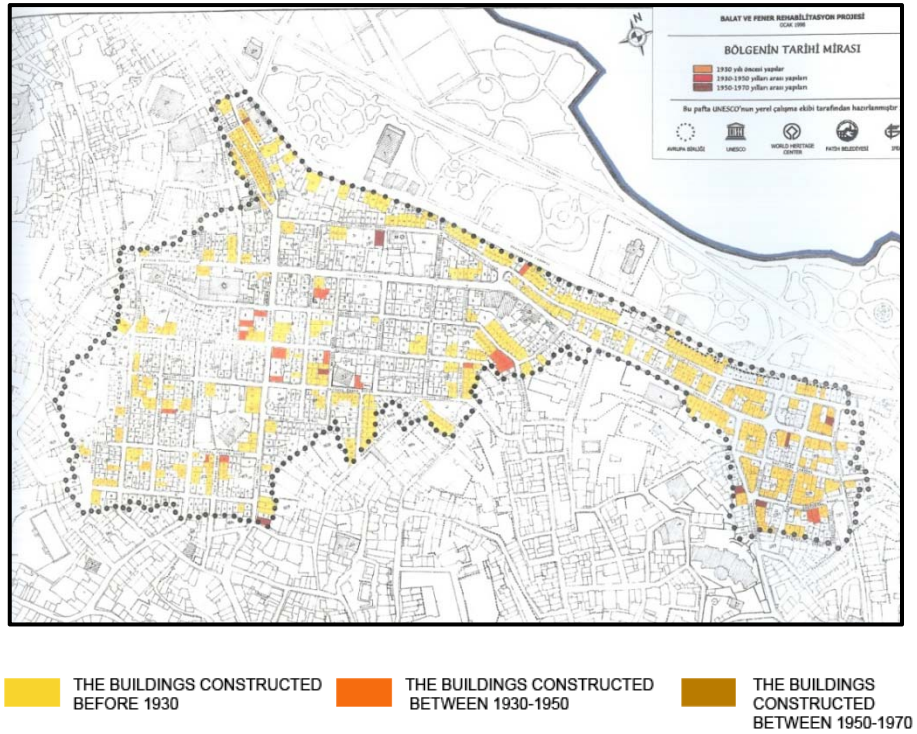


Figure 5.7 The historic heritage of the district (Fatih Municipality, et al., 1998)

RFBDP covers an area of 16.2 hectares (2.1 hectar of the total is streets and pavements) and 1401 parcels. 1256 parcels (%90) are smaller than 100 m2 and 102 parcel (7.2 %) are vacant (Fatih Municipality, et al., 1998). Smallness of parcels indicates the smallness of living areas (Figure 5.8).

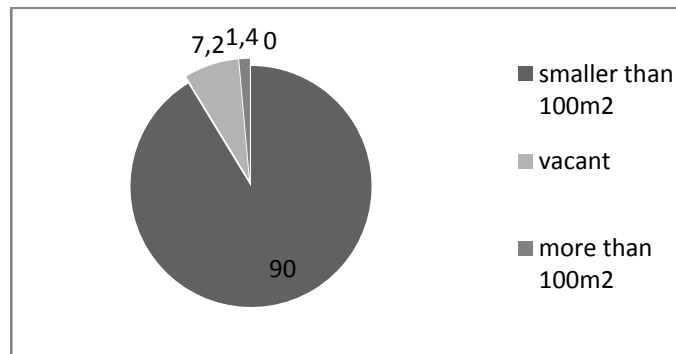


Figure 5.8: Parcels in the neighborhood (Prepared according to Fatih Municipality, et al, 1998)

The heights of buildings in the neighborhoods range between one storey and four storeys. 6% of these buildings are one floor and the most part of them are masonry and constructed before 1930 .The other part is reinforced concrete construction and built in the 1950s. Two storey buildings constitute 20 % of housing stock (Fatih Municipality et al., 1998). These had been mostly built with stone and brick before 1930.The most common buildings in the district are (41 %) are three storey houses (Fatih Municipality et al., 1998). More than half of these buildings had been constructed in masonry and before 1930. Finally, 33 % of housing stock is 4 storey or more. More than two out of three of these buildings belong to before 1930 (Figure 5.9) (Fatih Municipality et al., 1998).

The neighborhoods' own dynamics, social, cultural and economic transitions have caused deep spatial impacts on the area. Socio-spatial transformation of a district can be observed clearly in Fener Balat neighborhoods, particularly, during the second half of the 20th century. Poor economic conditions of inhabitants have also transformed the area to a dilapidated space. Old housing stock twisted the knife for the residents who already cannot afford the maintenance of the buildings. Thus, the houses became decayed areas with unhealthy conditions (Figure 5.10-5.11)

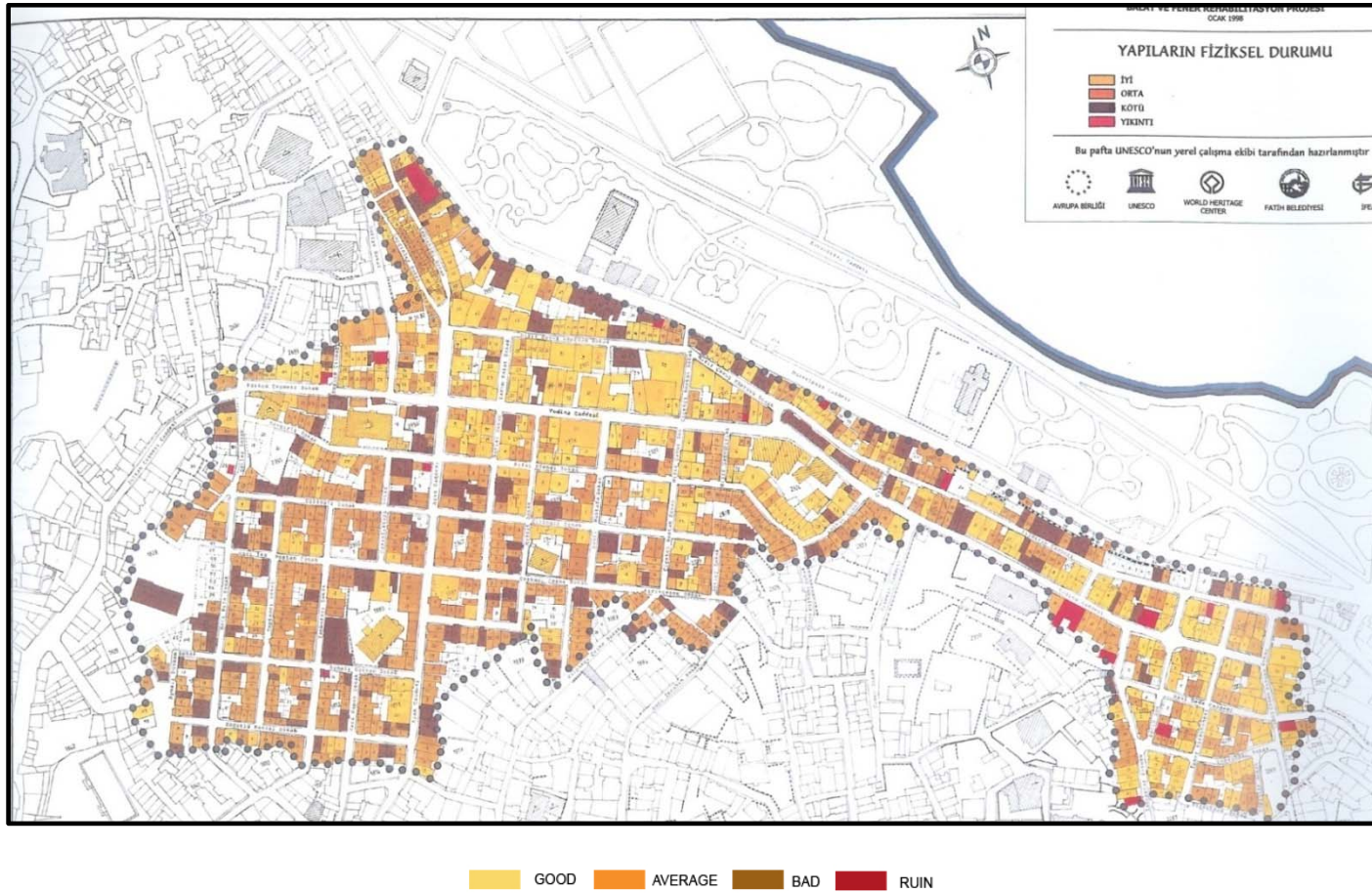


Figure 5.9: Spatial distribution of building conditions (resource: Fatih Municipality, et al ,1998)



Figure 5.10-5.11: Bad conditions of the buildings (resource: Fatih Municipality, et al, 1998)

Most of the parcels in the neighborhoods cover an area smaller than 100m² (Fatih Municipality et al., 1998). The ground floor area of the houses range between 35 and 50 m². Some of the houses have been divided according to storey numbers of them while another part have been divided according to rooms (Fatih Municipality et al., 1998). Some families live in one room. In some houses, kitchens and toilets are the common spaces that are used by more than one family. Thus, the houses have small living areas and unhealthy conditions. For instance, two families were living in the house whose plan shown in figure 5.12. As seen in the figure, there is only one bathroom in the house and there is no kitchen in this floor. Accordingly, survey of Foundation for the Support of Women's Work in 2004 mentions that 2 % of the 235 houses visited, there were no bathrooms and toilets, in 80% the bathroom and the toilet were placed together on a narrow space, and in only 18% they were placed separately. Another problem is the lack of maintenance of the houses. Toilets, bathrooms and kitchens suffer from neglect. Plumbing systems don't function sufficiently (Figure 5.13-5.14)



Figure 5.12: Plan of a house in Balat.(resource: personal drawing, produced during the restoration courses in 2004)



Figure 5.13 The washing machine is located in a room due to lack of area.(Resource :Personal Archive, 2004)

Figure 5.14 .The poor conditions of kitchen (Resource :Personal Archive, 2004)

Since the buildings were designed for one family, floors were serving to different functions in the original plan schema. However, today, while each floor of the houses is inhabited by

one family even more family, the functioning of the houses is paralyzed. According to the survey conducted in 2004 by the Foundation for the Support of Women's Work, most of the families were sharing these three storey houses with other families due to rents. The rent for one floor was 100 TL while the whole building was 300 TL. Also, 24% of the participants stated that they were living with people out of their family in their residences (Foundation for the Support of Women's Work, 2004). Hence, the residents live in unhealthy conditions due to the poverty (Figure 5.15-5.16).

A five member family have 50 m² living area in the district. They live in one room in winters while they can't afford to heat two rooms. Hence, the improvement in heating system of houses is a necessity in order to use the living area in the optimal way (Fatih Municipality, et al., 1998). Since there was no natural gas disposal in the neighborhoods, heating was provided by low quality coal which causes air pollution. Moreover, smokes go to up floors due to inaccurate places of the shafts (Figure 5.17)



Figure 5.15-16: Unhealthy, neglected conditions of the houses (source :personal archive, 2004)



Figure 5.17. The inaccurate places of shafts (source: personal archive, 2004)

5.1.1.2. Open spaces and utilities - services

The neighborhoods suffer from the lack of public spaces before RFBDP. A significant feature of the neighborhoods is its proximity to seashore and gorgeous view of Golden Horn (Figure 5.18). Seashore of Golden Horn is functioned as a park. However, there are no playground, recreation and sports facilities on the park. Hence, the park was generally uninhabited (Figure 5.19).

Nevertheless, the streets of neighborhoods are the most living public spaces. The inhabitants sit in front of their houses and chats with neighbors. Further, children play in the streets. Almost all streets function as playgrounds for children and sitting places for neighbors. Even there are only streets used as public spaces.

As a matter of fact, in the surveys conducted in 2004 by FSWW, 52 % of participants mentioned that there was not a nearby playground. Additionally, half of the respondents pointed out that existing playground were not safe; 16 % stated that they should be cleaned; another 16 % asserted that there should be more variety; and 11 % declared that they should be enlarged. This inadequacy of play grounds transformed streets into playgrounds for children.



Figure 5.18 View from Mürsel Paşa Street (Resource:Personal Arshive, 2004)



Figure 5.19: Unplanned Public Spaces- Green Area in Golden Horn Seashore.(Resource: Fatih Municipality, et al, 1998)



Figure 5.20 Children playing in neglect, vacant lands (resource: Fatih Municipality, et al, 1998)

There is almost no green area in the neighborhoods. Golden Horn seashore had been planned as "green area" but it is not used by inhabitants due to lack of playgrounds, sports areas or recreational areas. If this area can be redesigned according to inhabitants' needs, it corresponds to the public space needs of the neighborhoods (Figure 5.21)

Related to transportation services, 60 % stated that they didn't have any problems. Other part expressed problems such as lack of buses and bus stops. The neighborhoods also suffer from lack of infrastructural services (Figure 5.22-23). Furthermore, there is environmental pollution because of the garbage and coals. The neighborhoods heavily require natural gas system.



Figure 5.21: Green Area in Golden Horn Seashore (resource: Fatih Municipality, et al,1998)



Figure 5.22-5.23 : Infrastructural problems of the neighborhoods.(Fatih Municipality, et al,1998)

5.1.2. Social features of the district

The total population of Fener Balat neighborhoods is 35.812. The population of neighborhoods whose section is within the scope of Fener and Balat Districts Rehabilitation Project is 27.244 people in 4371 residences. Density of population is 350 people/hectare,

while this ratio is 750 people/hectare in Turkey. Finally, population of Fener and Balat neighborhoods on the project area is 12.000 and average, number of the people in a family is 4, 5 people. This number is 5 people in Turkey and 4 people in İstanbul.

According to 1998 report, the district has immigrants from 42 different cities and half of the interviewed residents were from Black Sea Region and one third of them from Kastamonu. Second highest ratio is migrants from Marmara Region (Bursa, Tekirdağ, Edirne). Finally, third group in the district is residents who have come from East and South East Anatolian. This group accepts themselves as temporary and inhabit in the district until purchasing a land on the periphery of the city. Additionally, the relationship between these groups is remote. The residents migrated from Black Sea and Marmara define themselves as native of neighborhoods and tend to exclude more recent comers (Fatih Municipality, et al., 1998)

Although mobility rate is high in the district, the population that involves migrants from Black Sea and Marmara Regions, have been living in the district for 20, 30, 40 years (Figure5.24). A significant (41%) of respondents have been living in the district more than ten years Majority of these long term residents had been born in Fatih and they are second or third generation. This high percentage in long time dwelling is a very effective feature for a neighborhood in terms of launching public awareness and participation (Foundation for the Support of Women's Work, 2004)

The literacy ratio of residents is closer to Turkey's general ratio rather than İstanbul's ratio. According to 2000 census, the illiterate women ratio is 10,51 % in İstanbul and 19,36 % in Turkey. The illiterate men ratio is 2,82 % in İstanbul and 6,14 % in Turkey(cygm.meb.gov.tr). According to surveys carried out in neighborhoods 10 % of the family heads are illiterate, 14 % were not illiterate although they didn't go to school. The illiteracy ratio among the women is 21 % and 9 % of them have never been to school but they are literate and last 70 % of them have been to school.

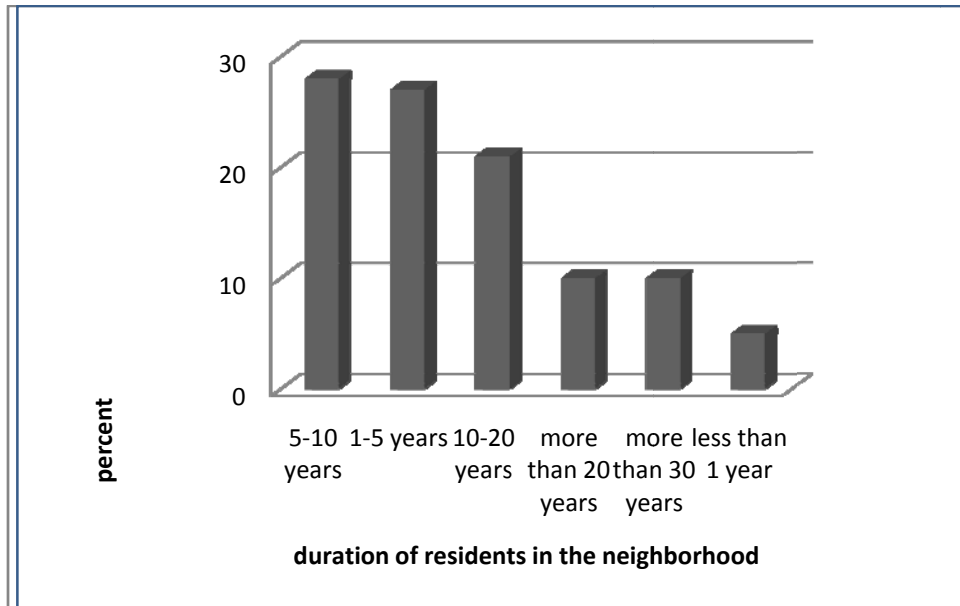


Figure 5.24: The duration of residents in the Fener-Balat districts (Resource: Prepared according to Foundation for the Support of Women’s Work, 2004)

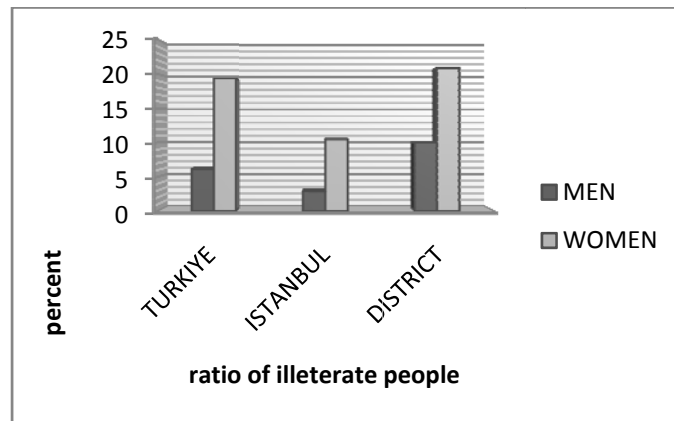


Figure 5.25 .The number of illiterate people in Turkey, İstanbul and Fener- Balat (Prepared according to Foundation for the Support of Women’s Work, 2004 and cygm.meb.gov.tr)

According to 1998 report, a part of children more than 12 years old do not attend schools. While boys are evaluated as potential labor girls are not allowed to attend due to the reasons such as poverty and conservatism (Fatih Municipality, et al., 1998) . The report of FSWW also supports the finding of 1998 report. In the surveys 6 of the 50 participants has stated that they had school-aged children but did not go to school due to economic difficulty. Furthermore, 45% of the participants who have school aged children, asserted that they need

a a centre where children could go after school to take assistance for their lessons at school and another 45% mentioned the requirement a centre for their children to receive post secondary job education and remaining 10 % asserted that they needed a centre to have social activities. On the other hand, they indicated that the centre should be free to be able to attend. (FSWW, 2004).

According to the study of Fatih Municipality Education and Culture Management, the average number of students in a class is 45. Adding this, headmasters indicated that the schools suffer from neglect and need all kinds of education materials such as desks, boards, notebooks, books, and microscope. A number of graduate students aren't accepted to high schools because of the low education level. Students also suffer from lack of teachers and neglect. According to survey of FSWW, there was no library or study rooms in the district. Furthermore, students cannot study at homes efficiently due to inadequacy of houses. The report has indicated that it was a major necessity to set institutions which support the education in a neighborhood with a 43 % young population (younger than 19 years old) (Foundation for the Support of Women's Work, 2000)

Further mentioned problem in the neighborhood meetings was lack or inadequacy of basic health service institutions (Fatih Municipality, et al.,1998). The majority of respondents (56 %) mentioned that everyone could not receive public services due to the reasons as: those with low income (56 %), new immigrants (20 %), services are given to relatives (12 %), the disabled inhabitants (8 %), those with different political ideologies (4%) (FSWW, 2004). Moreover, participants have indicated that environmental pollution was a threat for their health and they listed the unhealthy conditions at home or in the streets as: accumulation of garbage (47 %), drinking water (35 %), and conditions of toilets and bathrooms (17 %)(Foundation for the Support of Women's Work, 2004).

Further constraint of the area is security. According to FSSW report, only 26 % of participants declared that the security service in the neighborhood were adequate. The majority of respondents asserted the theft whereas 20 % mentioned fights as security problems. Reasons for such security problems were listed by participants as; the lack of police stations and policemen. Beside, majority of respondents (76 %) also indicated that the streets were not safe for children due to several reasons.

According to FSWW report, the majority of inhabitants was complainant from life quality in the neighborhoods and desired an intervention from government.. Further, most of the inhabitants indicated that they would continue to live in the district if a rehabilitation

programme was initiated and if their life quality, economic conditions became better. In this context, 61 % of women pointed out that they were happy to live in neighborhood. Most of these women (56 %) asserted that this is because of the neighbors and fellow country ship relations(Foundation for the Support of Women’s Work, 2004).

According to survey of Foundation for the Support of Women’s Work (2004) , the residents agree that people in general have negative impression about the district. However, the historical value of district has no advantage for inhabitants, on the contrary, the oldness and dilapittness cause difficulties in daily life and infrastructure. Also visits of tourists have no economic benefit for locals. 96 % of participants have indicated that tourists did not induce an economic contribution and also 86 % stated that a relation did not occur between the locals of the district and incoming tourist.

5.1.3. Economic features

Poverty is the main problem of the inhabitants. While the poverty threshold for a 4 member family was 429 TL, 46 % of residents asserted that their families monthly income is less than 400 TL in the surveys conducted in 2004.

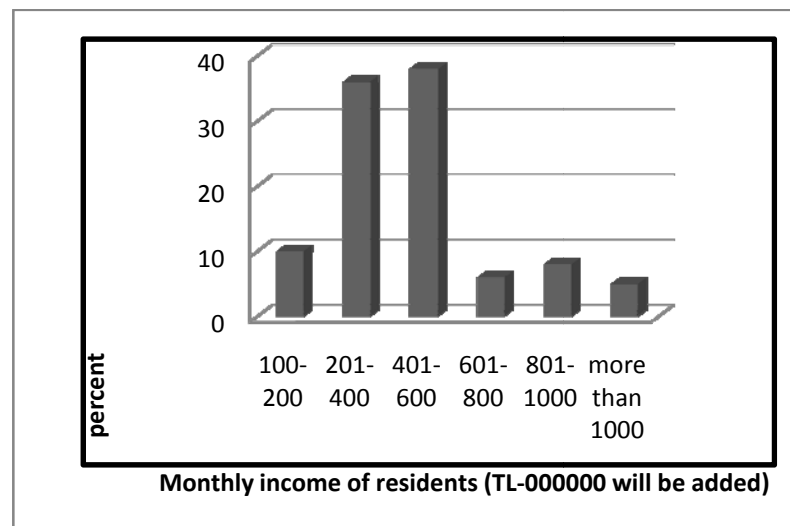


Figure 5.26. The monthly income of inhabitants (Foundation for the Support of Women’s Work, 2004)

92 % of the respondents have also asserted that all of the monthly income went to the home expenditure and 78 % of women have stated that they could not allocate any money at all for personal needs (Foundation for the Support of Women's Work, 2004: 14). While 85 % participants have stated that only one person worked in the family, in 11% of the families women and children also worked and in 4% of the families nobody worked at the time of the study. The skills of women as they stated involve homemade food, handicrafts and sewing. On the other hand, most of the women did not have calculation, marketing, accounting or computer skills and all women stated that they didn't understand commerce (FSWW, 2004). Thus, the most obvious obstacle in transforming their skill into business is the lack of understanding in commerce, calculation and accounting. Also report indicates that 78 % of local men had regular job, although these works can be defined as "unqualified" or "intermediary ", whereas 22 % was unemployed.

The negligence of industry in the neighborhoods rose from the relocation of industrial facilities in 1984. The remove of industrial facilities from the city centers was a national policy which aims to prevent environment pollution in the 1980s. Thus, economical activities in the neighborhoods transformed from large-scale industry facilities to small sized enterprises. The main quarter for economic activities is Balat Market, extends along the two narrow and parallel streets (Lapçinler and Lebleciler Street).

The commercial units in bazaar involve glass, shoes manufacturers, iron-mangers, kinds of artisans beside butchers, greengrocers and markets. Banks, restaurants, real estate agents mostly locate in Ayan, Vodina, Yıldırım streets. Another commercial space is Mürsel Paşa street that extends along the Golden Horn shore which mechanics, turners, taverns and cafes are located on .

5.1.4. Ownership Features

According to FSWW report, 60 % of the dwellers in the district were tenants, 39 % were property owners and the remaining 1 % was living in houses that are belonging to associations or foundations (FSWW, 2004) (Figure 5.27)

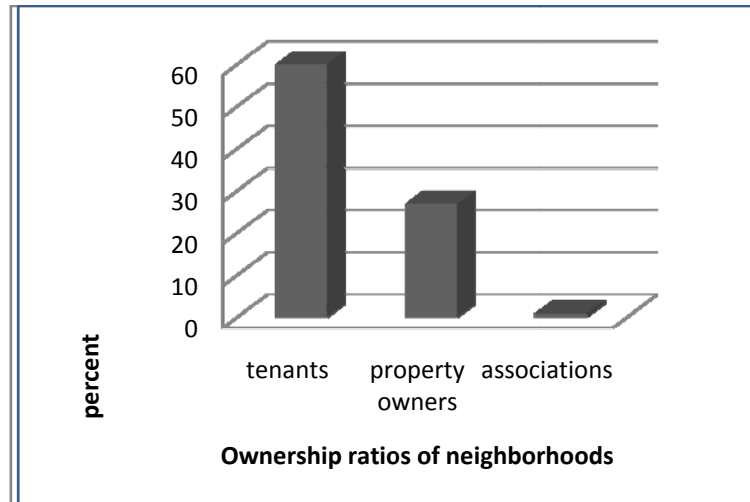


Figure 5.27 The ownership ratios in the neighborhood (prepared according to Foundation for the Support of Women's Work, 2004)

70% of property owners own whole building, 15% share the ownership with family members, 12% of them own only their apartment and remaining 3% own more than one apartment in the building.

40 % of property owners have owned their houses for more than 20 years. Besides, one third of the owners have purchased their houses mostly ten years ago. The mobility rates in the district are considerably over. According to searches, 40 % of residents have inhabited their houses less than 5 years. On the other hand, half of the respondents indicated that they inhabited in the same neighborhood before moving their current house and the other half stated that they inhabited in a close district (Narlı, 1997). This is because of the low rents and their loyalty to neighbors.

There is slightly vacant land in the district and 90 % of parcels in the study area is smaller than 100 m². 21 of 1401 parcels are between 250 and 500 m² and only 9 parcels are more than 500 m². Partial and narrow parcels that belong to 19th century is an obstacle for real estate speculations. In this sense, the structure of neighborhoods is an advantage to prevent rapid social transformation. Because, all kinds of projects require to purchase many parcels and thus require to be object of many households even property owners of condominiums (Fatih Municipality, et al, 1998).

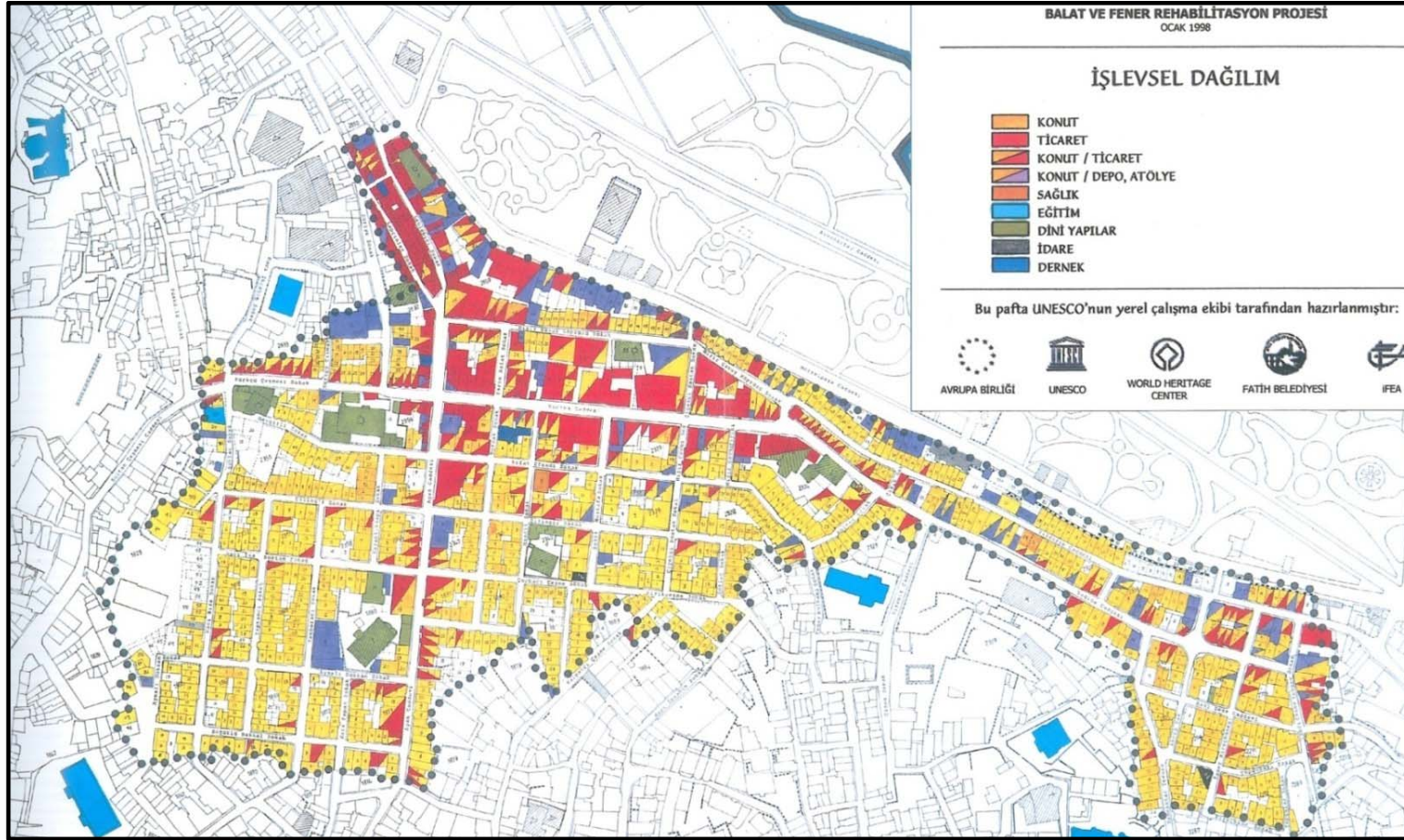


Figure 5.28: Functional distribution of buildings(Fatih Municipality, et al, 1998)

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5.2 Comparison of RFBDP and FBNRP

This part presents the comparative analysis of two projects. Firstly, I introduce the differences of two projects in terms of their initiations, actors, financial structures, visions and approaches to provide a basis for the comparison of strategies. I continue with the comparison of the strategies concerned to spatial, socio-economic and ownership structures with a focus on benefitting long term residents. In this way, this part intends to examine the changes/differs in the planning approaches of local governments in the Fener and Balat urban transformation areas with the involvement of international agencies and differences between the RFBDP and FBNRP's socio-economic-spatial-ownership strategies.

5.2.1 Preliminary conditions, organizational structure and approach

This part examines the features of two projects including preliminary conditions, involved actors, financial structures and visions/approaches in a comparative way. In this way, study intends to analyze the basis of the differences in the planning approaches. Table 5.1 indicates the main differences of two projects in terms of aforementioned respects.

Table 5.1: Differences of two projects in terms of initiations, involved actors, financial structures and legal basis

PHASES	RFBDP	FBNRP
Initiation	Emerged as an output of HABITAT II with an emphasis on conservation and relief work.	Emerged as an output of neoliberal urban policies with an emphasis on land profit
Involved Actors	Fatih Municipality-EU-UNESCO- TAT-FIAS-Prime Ministry Under secretariat of Treasury-Ministry of Culture and Tourism-Locals-Private sector	Fatih Municipality-Private sector-Architectural groups- Ministry of Culture and Tourism-Locals
Financial Structure	Partnership of Fatih Municipality- EU	Partnership of Fatih Municipality-Private sector
Legal Basis	Law 2863 "Conservation of the Immovable Cultural and Natural Assets ".	Law 2863+ Law 5366 "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties "
Vision	Conservation of the urban fabric considering the needs and expectations of current inhabitants through their participation to the transformation process	Increase of land values for profit through creating a competitive environment for investors

First and decisive distinction of the projects is the preliminary conditions and accordingly their initiations. On the one hand, RFBDP was emerged during the HABITAT II meetings in 1996 with a focus on conservation and social aspects. On the other hand, FBNRP is emerged as an output of the neoliberal urban policies with a focus on land profit.

A further difference of the projects is their involved actors and accordingly their financial structures. While the partners of RFBDP were Fatih Municipality and European Commission, the partners of FBNRP are Fatih Municipality and private sector. On the one hand, international agencies participate to the RFBDP and the project has intended to achieve a revitalizing according to the declarations of international conservation agencies. On the other hand, the private sector is one of the main stakeholders of FBNRP and the project intends to increase the land values for profit.

Another distinction of the projects is their legal basis. The legal basis of RPFBD is the law 2863 "On the Protection of Cultural and Natural Heritage ". The mentioned law enables the division of powers in RFBDP. Technical assistant team prepared the restoration projects

according to the municipal plan. Protection Board of Natural and Cultural Assets approved the projects and then a construction company conducted the implementations. However, legal basis of FBNRP is the law 5366 "The Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal" which embraces unity of power in transformation projects. Therefore, a construction company (GAP) prepares the restoration projects with a freedom that is arising from the structure of "law 5366" and conducts the implementation works. This led to monopolize in projects due to lack of diverse visions. Besides, Fatih Municipality and Construction Company decide about the properties' without the knowledge of the property owners and expect approval. If the inhabitants do not approve, the municipality has the right to confiscate property.

As a consequence of the whole differences, the visions and approaches of the projects also differ. While the main aim of the RFBDP was to recreate a viable, vital community along with the conservation of cultural heritage; the main objective of FBNRP is to regenerate the physical structure of the area for existing inhabitants who can afford the expenditures or otherwise for new higher income residents. Respectively, RFBDP developed several strategies to rehabilitate the social structure. On the contrary, FBNRP excluded the existing inhabitants even in the first phase of the project and presented no strategy related to the rehabilitation of social structure in the area.

5.2.1.1 Rehabilitation of Fener Balat Districts Program (RFBDP)

a. Preliminary conditions / Initiation

RFBDP was emerged as a joint program of EU and Fatih Municipality. The interviews show that the mayor of the period Saadettin Tantan is regarded as the first initiator of the project (Bezmez, 2009). Tantan's term lasted from 1994 to 1999. The inclusion of Istanbul into the World Heritage List in 1985 and 1996 Habitat II conference impacted Tantan's vision for Fener and Balat neighborhoods (Bezmez, 2009). During the Habitat II Conference in 1996, the local authorities suggested conducting a project in these districts ³¹ (Evcı, 2009). This is followed by a preparation of a feasibility study and the definition of the rationale behind selecting the sites.

Following the first formal conversations between the Fatih Municipality and UNESCO, The European Union (EU) asked financial support to carry out the feasibility studies (Evcı,

³¹ Fatih Municipality Project Consultant of the period Assoc. Prof. Dr. Fikret Evcı has stated that they contacted with UNESCO authorities during HABITAT II and presented Fener and Balat neighborhoods (Evcı,2009)

2009). The European Commission, Fatih Municipality, the French Institute for Anatolian Research and UNESCO conducted a feasibility research between 1997 and 1998 with the premises of the Municipality and the support of local NGOs in the Fener and Balat neighborhoods. The feasibility study produced the report “Rehabilitation of Fener and Balat Districts” (also called the 1998 Report).

The 1998 report juxtaposed three main reasons for the selection of Fener and Balat neighborhoods as a pilot project. First, the neighborhoods conserve their unique urban fabric and the historic heritage of the neighborhoods could be rehabilitated with a relatively small budget. Second, the neighborhoods are located in the city core. Third, the inhabitants have unhealthy living conditions due to poor environment (Figure 5.29). Supportively, the authority of Fatih Municipality has also mentioned that the project should concern the relief works to receive financial support from European Union (Evci, 2009) ³²

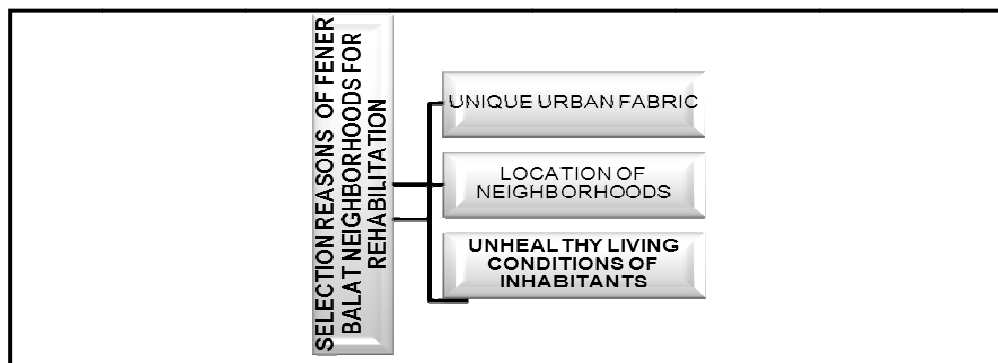


Figure 5.29: Selection reasons of Fener and Balat neighborhoods

b. Actors and Financial Structure

RFBDP is a joint program of the European Union and Fatih Municipality. The project is being implemented by Fatih Municipality, supported by a Technical Assistance Team, commissioned in accordance with a service agreement signed with a consortium led by Foment Ciutat Vella SA, a development company 50% owned by the City of Barcelona.

³² In those years, Europe put an embargo to Turkey for the support of several projects except relief works. For this reason, the project should concern the relief works to receive financial support from Europe. Hence, the project targeted to rehabilitate the living conditions of existing residents (Evci, 2009)

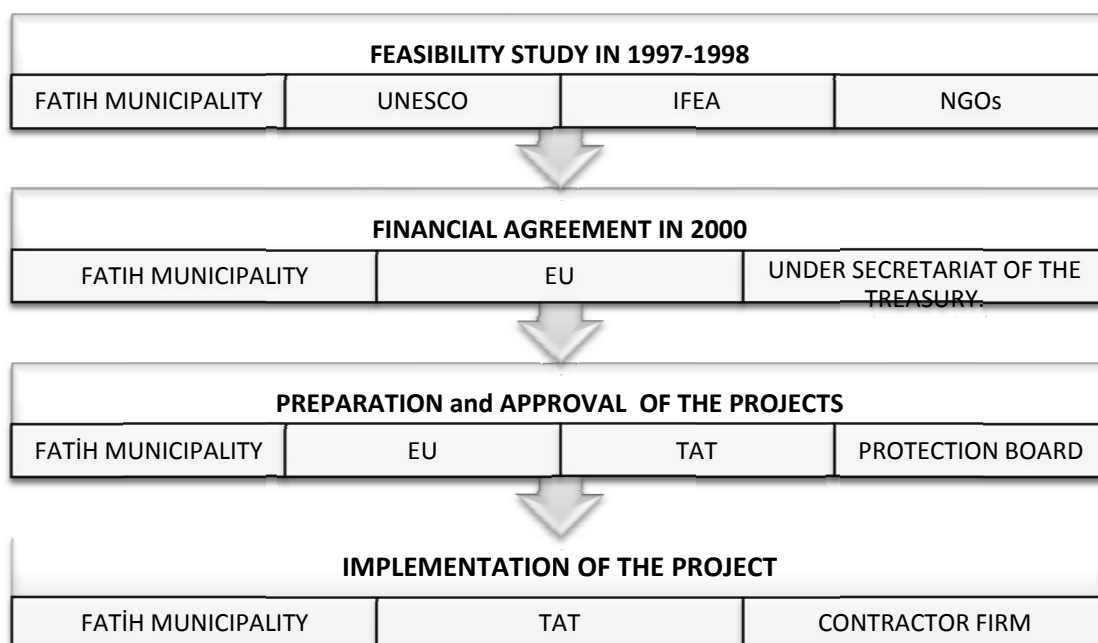
The other members of the consortium are IMC Consulting (United Kingdom), GRET (France) and Foundation for the Support of Women's Work (FSWW) (Turkey).

However, the predicted organization structure of the project was different from what was initially intended. In the first program issued in 1998, the project has anticipated a "cooperative model" which primarily aims participation and sustainability. Accordingly, the actors of the project have been mentioned as: European Union, Fatih Municipality, UNESCO, French Institute for Anatolian Research, Housing Development Administration (TOKİ), Ministry of Culture, Istanbul Metropolitan Municipality, Cooperative, Workshop, Tenants, Property Owners, Associations and Private Sector in 1998.

The distinctive part of the project was the anticipated "cooperative model". This was a pilot and significant model for Turkey. According to the 1998 report, the cooperative would be intimate and self governing. It would be directly managed by the inhabitants. Administration unit or technical team would not intervene to the domesticities of the cooperative. The Cooperative would participate to the consulting council of the Technical Assistance Team. Sole existence reason of the cooperative was to provide the coordination between the rehabilitation work of the houses and property owners. It would act as a legal inter-agent between the inhabitants and the administration unit. The Cooperative would not manage any property process. Since in the event of purchasing or selling properties, the cooperative may transform a speculation arena. Thus, the main role of the Cooperative would be to observe the rights of inhabitants and to convey potential problems to administration unit. It is observed that, a model was predicted to get the acceptance and adoption of the inhabitants. However, after the initiation of the project, this aforementioned model could not be implemented accurately. Although, the participation was emphasized also in 2003, the predicted "cooperative" could not be organized.

Hence, the final actors of the project was Fatih Municipality, European Union, UNESCO, French Institute for Anatolian Research, Technical Assistance Team, Ministry of Culture, İstanbul Metropolitan Municipality, Associations, Tenants and Property Owners and Private Sector. Table 5.2 indicates the actors and their duties respectively.

Table 5.2: Division of labor in RFBDP



Fatih Municipality: Fatih Municipality acted as a coordinator of the project in every phase. The municipality participated feasibility studies, signed financial agreement with European Union, worked with Technical Assistance Team to provide public participation, controlled the selection of the houses, signed agreement with the households and controlled the projects and implementations.

Fatih Municipality was the major actor of the program and played a key role in all the phases. The coordinator of the restoration component (TAT) mentions that Fatih Municipality worked compatible with Technical Assistance Team but could be more efficient:

"The municipality fulfilled its duties as a local host. However it could be more actuator. Unfortunately, the municipality is inadequate in terms of technical issues. Hence, it could not penetrate the project sufficiently. The municipality did not embark on the project in depth. It may be because of the political reasons. The changes in the mayors also influenced this. The program was announced in 1997, initiated in 2003 and lasted in 2008. Four different mayors from four different parties involved the project. Thus the municipalities could not adopt the program adequately. However, its involvement provided a considerable contribution. If we did not work with Fatih Municipality, we could not complete the project.

Because, inhabitants see the local government as a official institution and trust" (Local Coordinator of Restoration Component, interview for thesis study in 2009)

Additionally, the RFBDP has assigned Fatih Municipality to upgrade the infrastructure of Balat Market and to obtain a building for social center. However, the municipality could not procure the building on time. The activities of the social center have been performed in a temporary building and this interrupted the program of the social center. The activity report of Human Resource Development Foundation which is the manager NGO of social center also mentions the constraints related to obtaining of the buildings:

"The architectural and spatial structure of the project site has been a challenge in finding the suitable place and it has taken some time to find a suitable building. A building has been found and rented and the repair has been finalized in December 2005. Meanwhile, the market research for the procurement of items for the social center has been made. The Project Coordinator/Center Director and TAT experts have met for a couple of times in order to identify the equipment that will be bought for the durable social center so that a parallel procurement could be made" (Final Narrative Report of Development Of Human Resources Foundation, 2007)

The final report of Development of Human Resources Foundation also expressed that they could not receive adequate support from Fatih Municipality:

"The Municipalities had been very supportive during HRDF's previous social center experiences. However, Fatih Municipality has not shown much interest in the work that has been performed by HRDF and its partners at Fener-Balat Social Center. Additionally, the postponement of the construction of the permanent social center has made it difficult to handover the activities and equipment to the municipality Although HRDF did not have major disputes with the partners, it could be mentioned that collaboration among parties and the ownership of the project by the partners could have been better." (Final Narrative Report of Development of Human Resources Foundation, 2007)

European Union (EU): European Union acted as financial supporter in the project. EU provided funds for the administration of the project, rehabilitation component, natural gas connection and social center expenses. The European Community also supported the feasibility study carried out by Fatih Municipality, French Institute for Anatolian Studies, UNESCO and two neighborhoods NGOs (Fener and Balat Associations). According to the 1998 report, European Union would provide 70 % of personnel expenditure. This share may increase up to 90 % in order to employ qualified personnel or to establish social institutions.

This kind of structure was mentioned as an obligatory in order to achieve self governing studies. The program asserts that Fatih Municipality undertakes the infrastructural works such as sewage works and improvement of electrical and natural gas networks. Sole contribution of European Union on this item is the connection of natural gas from streets to houses. This expenditure normally belongs to the landlords in Turkey, but European Union accepts to fulfill the costs due to inadequacy of inhabitants' economic conditions. This specific contribution constitutes 25 % of the whole infrastructure expenditures.

However, the most significant change in the finance structure is observed in the restoration component. 1998 report mentions that the expenditure of rehabilitation of 225 houses would be provided by HDA (TOKİ) and European Union half and half. Since HDA and Ministry of Culture did not provide financial support, this predicted model has changed in the implementation phase of the project. The restoration works were completed with the funds of EU.

UNESCO World Heritage Center: UNESCO conducted supervision, auditing and consulting operations in the eye of The Ministry of Culture and Tourism. UNESCO provided technical support in the conservation of historic buildings during the program.

Technical Assistance Team (TAT): Technical Assistance Team commissioned in accordance with a service agreement signed with a consortium led by Foment Ciutat Vella SA, a development company 50% owned by the City of Barcelona. The other members of the consortium are IMC Consulting (United Kingdom), GRET (France) and Foundation for the Support of Women's Work (FSWW) (Turkey). Technical Assistance Team prepared technical documents for tenders, conducted technical etudes, prepared databases of the buildings, controlled the works of the social center, supported the public participation and controlled the implementations of the project.

French Institute for Anatolian Studies (FIAS): FIAS participated to the feasibility study in 1997-1998 in the premises of the Municipality.

Republic of Turkey Prime Ministry Under secretariat of Treasury: European Commission, Fatih Municipality and Republic of Turkey Under Secretariat of Treasury signed the financial agreement of 7 million Euros.

Ministry of Culture and Tourism: Ministry of Culture and Tourism acted as controlling and approving authority through the Protection Board.

Istanbul Metropolitan Municipality: IMM would support the touristic features of the district through involvement of neighborhoods into sightseeing tours. The municipality would develop strategies in order to integrate neighborhoods into city and regenerate economic activities of Balat Market. However, Istanbul Metropolitan Municipality did not develop any strategies.

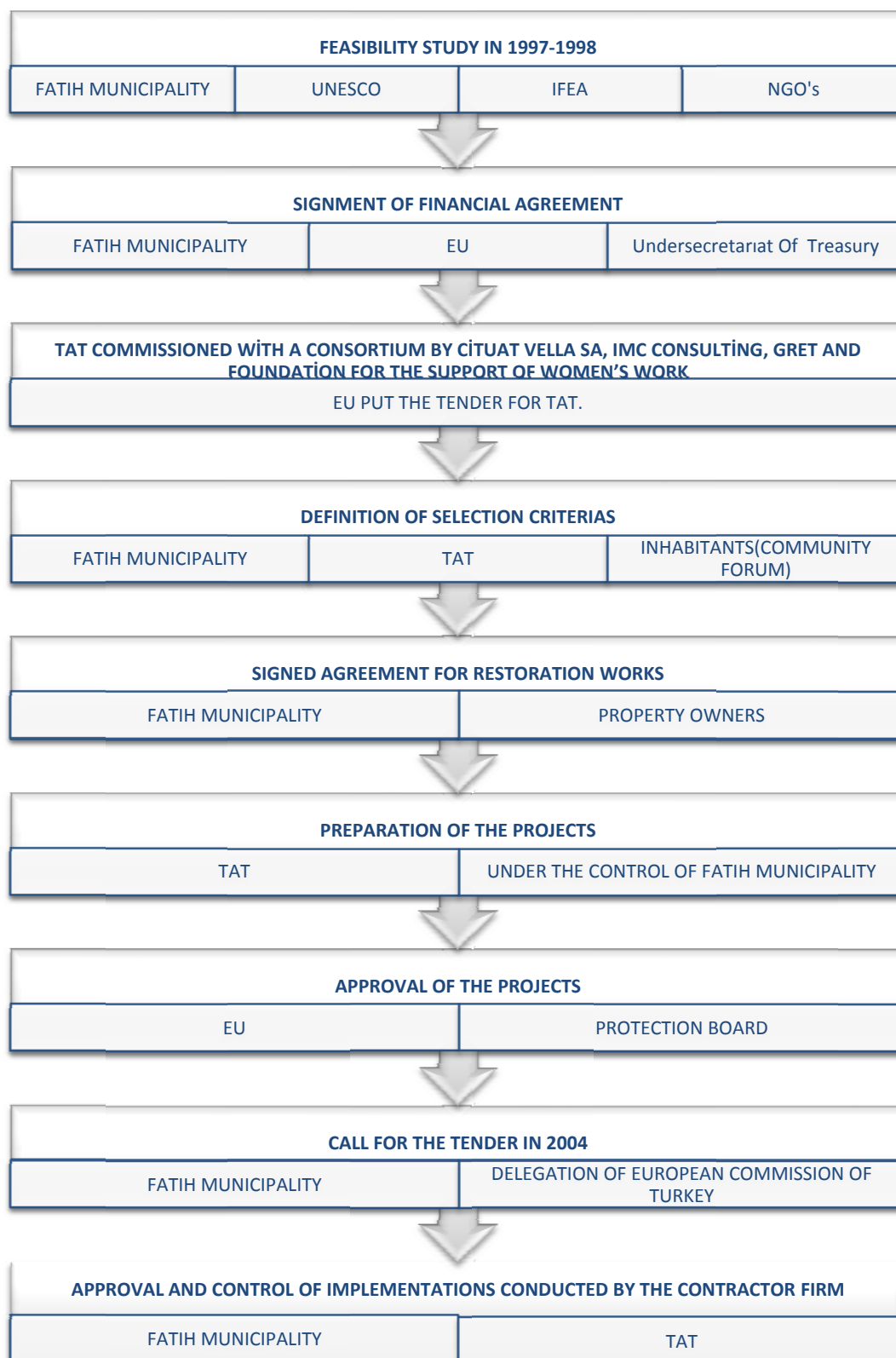
Locals (Tenants and Property Owners): The inhabitants were the main actors of the project. They took place in the design and implementation phases. The inhabitants participated to community forums in order to define their requirements in the rehabilitation works. They contributed the process during the formation of selection criteria, rehabilitation of the houses, activities of the program and social center.

Contractor Firm: The contractor companies implemented the project under the control of the Technical Assistance Team and Fatih Municipality in three phases.

RFBDP intended to mobilize a multiplicity of actors from beginning to end to create a broad perspective (Figure.). Following the first formal conversations between Fatih Municipality and UNESCO, EU demanded for the financial support to carry out the feasibility studies. In 1997, European Commission, Fatih Municipality, French Institute for Anatolian Research and UNESCO conducted a feasibility research with the support of local NGO's in Fener and Balat neighborhoods. The research explored the possibilities for "social rehabilitation" as much as "building restoration ". Detailed surveys were conducted related to the social features and constraints of the neighborhoods. This feasibility report provided a basis for FBDRP. Following the report, the program was included in the scope of MEDA (The European Mediterranean Partnership) by EU in 1998. In 2000, a financial agreement of 7 million Euro signed between European Commission, Fatih Municipality and Republic of Turkey under the secretariat of Treasury. Following the feasibility study, UNESCO restored one of the historic buildings in Fener with the funds from French government, the World Heritage Fund and Fatih Municipality to utilize as project office and community advisory service.

After a waiting period, European Commission and UNESCO put out to tender for the service agreement in 2002. Thus, the program was commissioned in accordance with a service agreement signed with a consortium. The leading company of the consortium was semi-private Forment Cituat Vella whose 50% owner is the City of Barcelona and other partners were IMC Consulting (UK), GRET (France) and Foundation for the Support of Women's Work –FSWW- (Turkey). Finally, Technical Assistance Team started to work in January 2003.

Table 5.3: Progress period of RFBDP.



After the designation of the buildings to be restored in the first phase, an agreement was signed between the property owners and Fatih Municipality. Then the restoration drawings of 26 buildings were prepared and submitted to the approval of the Protection Board.

Simultaneously, tender documents were completed and submitted to the Delegation of European Commission upon the approval of Fatih Municipality. First tender covering the restoration of 26 houses was awarded to Pekerler Construction and Trade Limited Company. The restoration works are programmed to be completed by August 2005. The works were supervised by the Technical Assistance Team together with Fatih Municipality staff on daily basis. During the tendering period of first group of houses, preparations for the second group were carried out. The second and the third tenders announced by the mid-2005. The scope of the second phase was more comprehensive. Second phase began in December 2006 and ended in December 2007. Following, third phase began in December 2007 and ended in June 2008. Table 5.3 indicates the actors and progress of the project

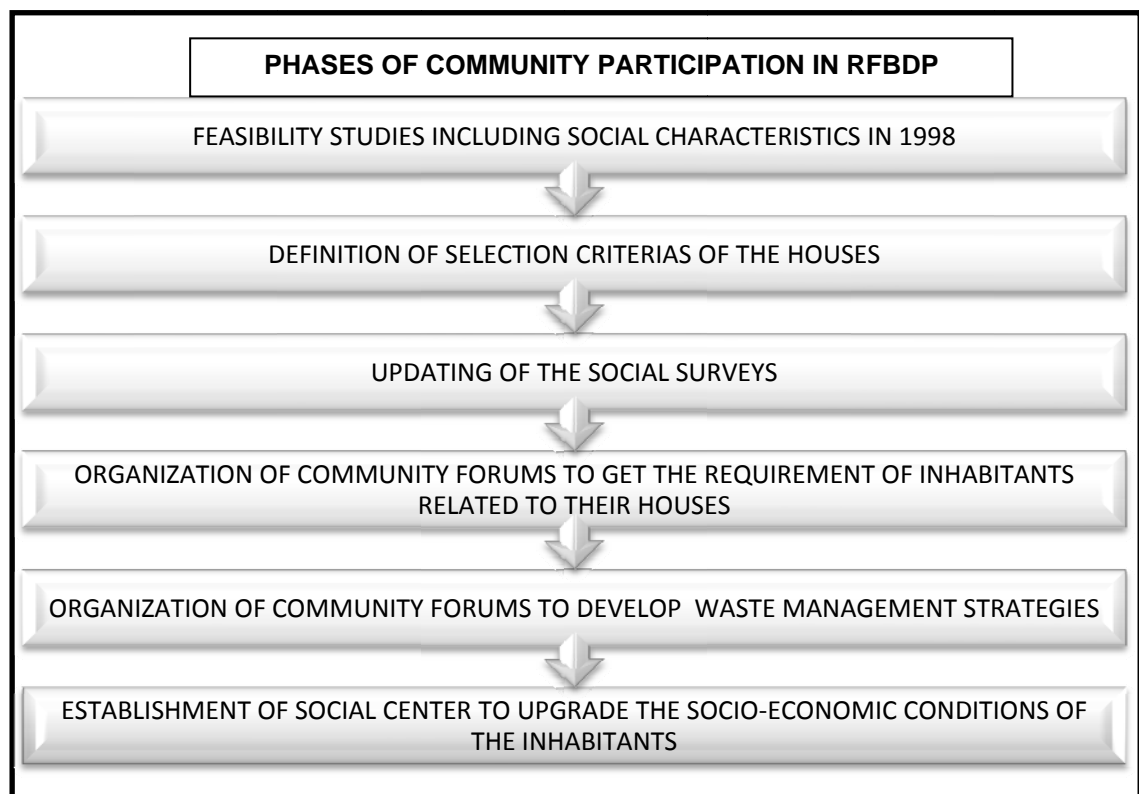
c. Vision and Approach:

RFBDP is defined as a rehabilitation program which aims to conserve the urban fabric considering the existing inhabitants' requirements through their participation to the transformation process (Fatih Municipality, et al, 1998). The program is the first rehabilitation project implemented with the partnership of the international actors in Turkey. The mentioned approaches in the program are considerably significant by their aims to achieve social and economic improvement in order to benefit long term inhabitants. The main aim of the RFBDP is mentioned as to prove that the future of the historic cores cannot be demoted to the restoration projects with touristic purposes or regeneration projects which means simply the reconstruction of the buildings but instead to provide sustainability of the neighborhoods through the rehabilitation of the existing inhabitants' living conditions (Fatih Municipality, et al, 1998).

In this respect, the local coordinator of the restoration component mentioned that *the project was the rehabilitation but not gentrification (Interview with the local coordinator of the restoration component for thesis study in 2009)*. In line with the technical team, the head of the French Institute of Anatolian Researches defined the project as rehabilitation and restoration project to increase the standards of living of the people in this zone (*cited in Tuncer, 2006*).

Accordingly, the program incorporated in residents in every phase of the project (Table 5.4). First, detailed surveys related to the social characteristics and requirements were conducted by Fatih Municipality, UNESCO, French Institute for Anatolian Studies with the support of local NGOs in 1997. Therefore, the project program was formed according to the findings of the survey and statistics. Furthermore, FSWW as the consortium partner of the RFBDP conducted a site survey in 2004 to update the findings of the first surveys. This survey helped to develop a dialogue with the local people along with the determination of their requirements, expectations and capacities (FSWW, 2004). The survey provided an opportunity for the Technical Assistance Team to design the whole implementation of the program according to the priorities of the inhabitants.

Table 5.4: Integration and phases of community participation in RFBDP.



Following, Technical Assistant Team developed a scoring system with the participation of Fatih Municipality and Community Forum to define the selection criteria of houses. These criteria have been sorted as; the location of the buildings, architectural value of the buildings, exterior and interior uniqueness, the required level of rehabilitation, earthquake risk, the required functional change during or after the restoration, the impact level of restoration on

the environment, difficulty degree of approval from Protection Board, number of shareholders of properties, number of families, ratio of tenants living in the buildings. Furthermore, TAT selected houses whose property owners sign an agreement not to sell their houses for five years (Local Coordinator of Restoration Component, interview for thesis study in 2009) as a precaution against the speculative market. TAT also excluded the houses which has been purchased before 1997(Local Coordinator of Restoration Component, interview for thesis study in 2009) to benefit long term residents. Property owners also committed not to displace their tenants and increase the rents more than legal ratios (Local Coordinator of Restoration Component, interview for thesis study in 2009).

TAT also attempted to embody the inhabitants during the implementations of the project. Technical Assistance Team organized meetings to get the expectations of the inhabitants from rehabilitation. Inhabitants also filled the questionnaires related to their desires (Local Coordinator of Restoration Component, interview for thesis study in 2009). The project also provided the participation of the inhabitants in waste management strategy. TAT organized community forums to decide the appropriate strategy for the solid waste management.

A further strategy of the program was the establishment of social center which aims to upgrade the socio-economic conditions of the inhabitants. NGO's conducted several seminars and occupational trainings in the social center. The center also served as a meeting place for the residents during the RFBDP.

5.2.1.2 Fener Balat Neighborhoods Regeneration Project (FBNRP)

a. Initiation

While the initiation of RFBDP was a result of HABITAT II and its declarations related to the human rights, neoliberal policies played a key role in the initiation of FBNRP. Following the RFBDP, FBNRP with the cooperation of Fatih Municipality and private sector took the stage in the same neighborhoods. Different from the first project, the implementations of FBNRP have not begun yet. However, the project and its program have been declared in the booklet of Fatih Municipality and official website of Fatih Municipality.

FBNRP emerged as a product of contemporary urban policies that seek to attract middle income in order to remove the "poor" image of the inner city. As discussed in the earlier chapters, several factors including globalization, Marmara Earthquake, Candidacy of EU and policies of ruling party have stimulated the contemporary urban regeneration policies. Besides, several actors including national government, local government, state institutions

and large-scale developers played a key role with the support of law 5366 "The Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal" in the reinvention of the city cores.

Accordingly, Fener and Balat neighborhoods have been declared as renewal areas based on the law 5366 "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties" and Fatih Municipality decisions in 09.06.2006, Istanbul Metropolitan Municipality decisions in 13.07.2006 and Ministerial Council decisions in 13.09.2006 (The interview with the coordinator of GAP Construction Company for thesis study in 2009). The decision was finalized and came into the effect following its issue in official journal in 22.04.2006 (The interview with the coordinator of GAP Construction for thesis study in 2009). Afterwards, contractor firm (GAP Construction Company) has signed an agreement with Fatih Municipality through its 43.42% proposal to Fatih municipality for landownership in 30.04.2007. Following, Fatih Municipality designated eight architectural groups for the project.

The first drawings of the project have been prepared in six months as a result of the workshops conducted by architectural groups, academicians and municipality authorities (Interview with a responsible architect for thesis study, 2009). The projects have been approved by Istanbul 4. Protection Board in 2007 and Fatih Municipality Construction Affairs Committee in 2009.

The project encompasses an area of 279.345 m² in Fener, Balat and Ayvansaray neighborhoods. Regeneration area covers 20 city blocks between Fener-Ayvansaray and Haliç, 39 wards between sea and city walls and 909 parcels surrounding these wards and the approximate cost of the project is 200 million dollars. The regeneration area is adjacent to RFBDP area, even there are intersecting buildings (Figure 5.30)

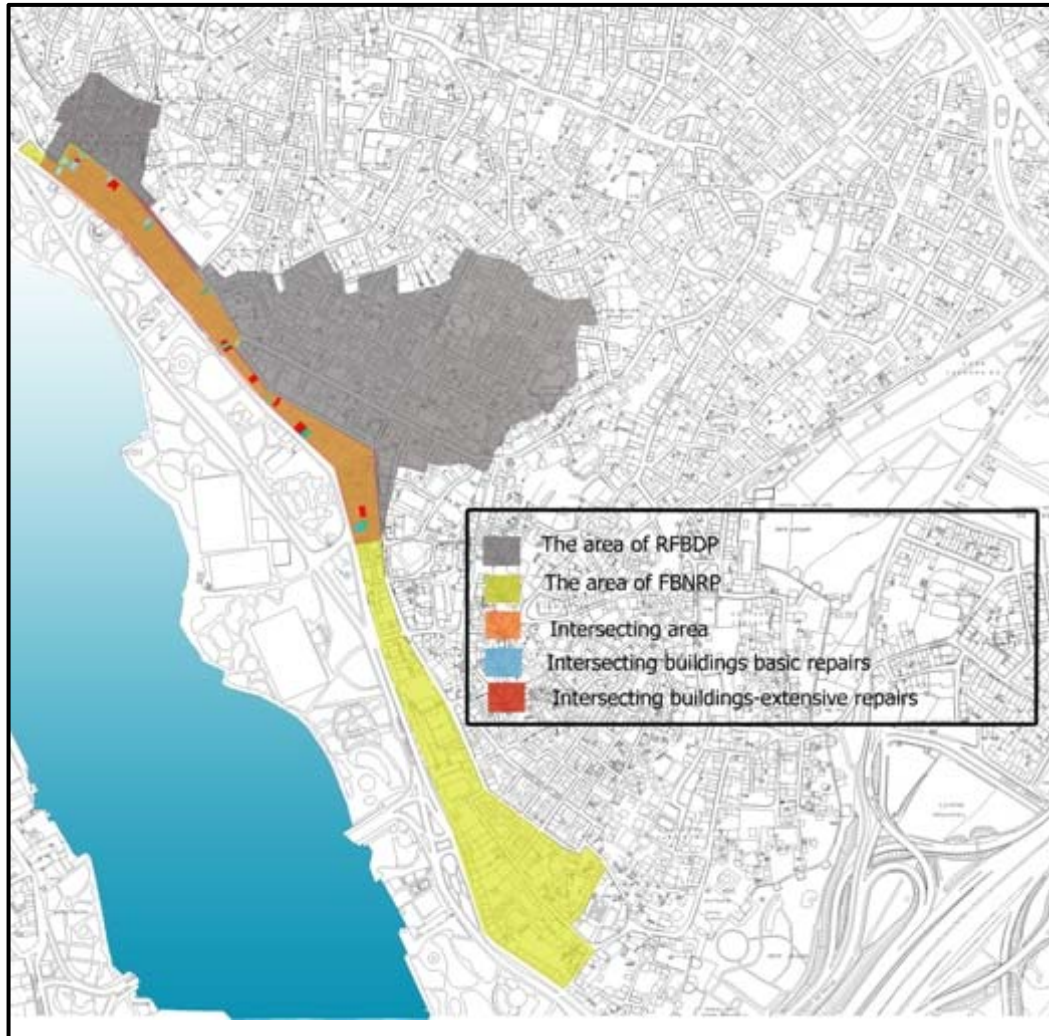


Figure 5.30: The buildings restored within the scope of in the area of FBDRP

b. Actors and Financial Structure

A decisive distinction of the regeneration project from RFBDP is its involved actors and accordingly its financial structure. While the partners of RFBDP were Fatih Municipality and European Commission, the partners of FBDRP are Fatih Municipality and private sector. In this context, since the international agencies participate to the RFBDP, the project has intended to achieve a revitalizing according to declarations of international conservation agencies. However, since the private sector is the largest stakeholder of the FBDRP, the project intends to increase land values for profit.

Fatih Municipality: Fatih Municipality defined the renewal areas in 09.06.2006 and submitted to the approval of Council Of Ministers. After the issue of the decision in official newspaper, Fatih Municipality announced a tender. Ultimately, Fatih Municipality has signed an agreement with contractor firm (GAP Construction Company) through its 43.42% proposal for landownership in 30.04.2007. Following, the municipality designated architectural groups for the first drawings, participated to the workshops and approved the drawings in 2009. While the Fatih Municipality was an active participator of RFBDP during the preparation of the program and projects, it became a control and approval authority in Fener Balat regeneration project.

Contractor Firm: Unlike RFBDP, contractor firm plays a key role in the design and implementation phases of the project. GAP construction is responsible for surveys, restitution and restoration projects, production of the first and application projects and finally implementation of the projects as the contractor of Fatih Municipality (The interview with the coordinator of GAP Construction for thesis study in 2009). However, the contractor firm only conducted implementation works under the control of TAT and Fatih Municipality in RFBDP.

Architectural Groups: Eight different architecture groups worked for the projects. The first drawings of the project has been prepared in 6 months as a result of the workshops to which the authorities of GAP Construction Company and Fatih Municipality, architects and academicians participated (Interview with a responsible architect for thesis study, 2009) .

Ministry of Culture and Tourism: Ministry of Culture and Tourism acted as controlling and approving authority through the Protection Board.

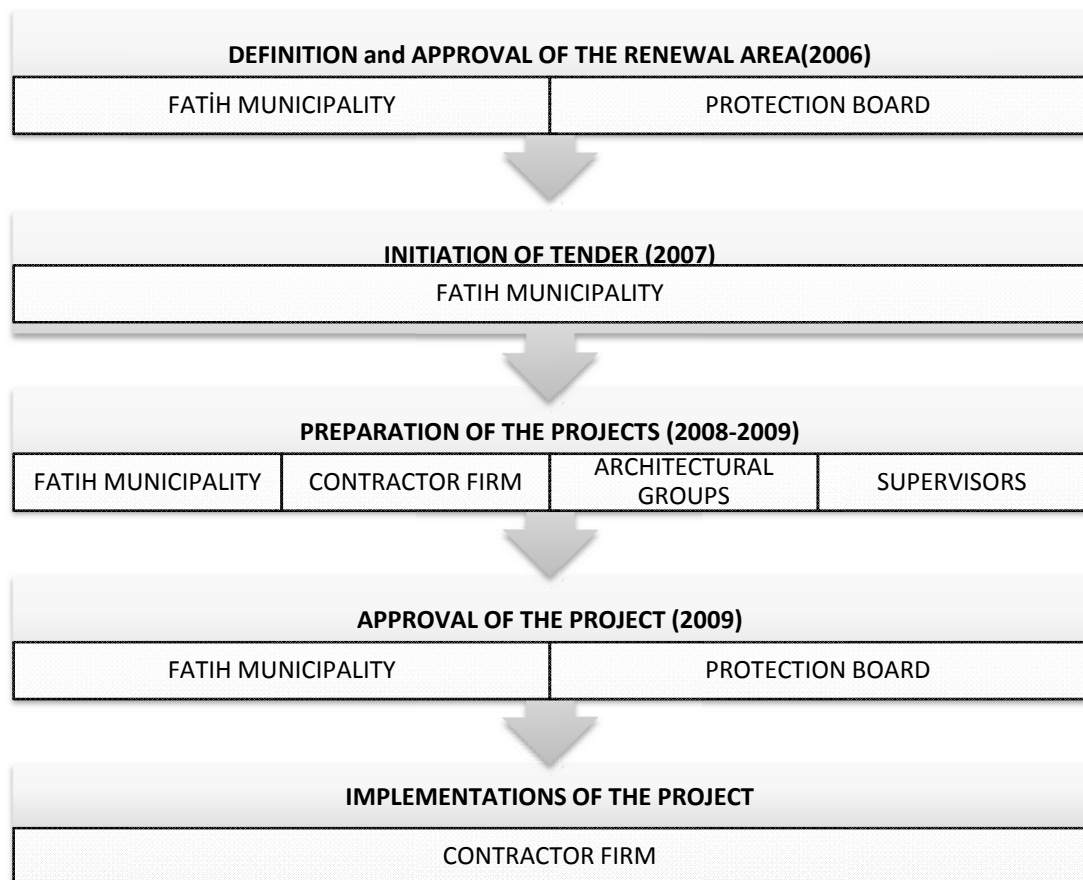
Inhabitants(Property Owners and Tenants): Although GAP Construction Company which gave the highest offer (43,42) to the inhabitants won the tender, the project has only offers for property owners. The project excluded the inhabitants during the preparation of the project. Unlike RFBDP, there are no social criteria in the selection of the buildings. Several inhabitants have also mentioned that they do not have information about the project and the future of their houses (Interviews with the inhabitants for thesis study in 2009-2010).

The project involves the agreements with the property owners. However the project has no strategy to keep the tenants in the neighborhood. Instead, the program proposes the tenants to move the houses of HDA (Housing Development Association) in another district without lot (Fatih Municipality, 2008). While RFBDP predicted a model which protects tenants with

rent control strategies and obligatory items in the agreements, FBNRP excludes even encourages the moving out of the tenants.

Contrary to RFBDP, FBNRP involves the "unity of power" in the design and implementation phases with the support of the law 5366 "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties". Accordingly, two actors – Fatih Municipality and contractor firm- have great power in the design and implementations phases. Fatih Municipality defined the renewal area with the approval of Protection Board, launched the tender, designated the contractor firm, and approved the projects produced by the contractor firm. Contractor firm produced the projects and will implement the constructions in return for 57,48% share. Table 5.5 indicates the roles of actors and progress of the project.

Table 5.5 Division of labor in FBNRP.



c. Vision and Approach:

FBNRP emerged as a dimension of neoliberal policies. Istanbul participated to the global competition to attract investment to decayed inner city centers. In this frame, Mayor of Fatih Municipality has mentioned that the project will succeed the upgrading of physical structure as well as the environment in historic neighborhoods and will be the most significant preparation for istanbul-2010 European Capital of Culture³³. The main aim of the project is to succeed the regeneration of physical structure, rehabilitation of the environmental conditions and evaluation of touristic and economic potential in the neighborhoods with a conservation approach (Interview with the project coordinator of GAP in 2009). It aims to create a living space in day and night along with the preservation of historic heritage (Interview with the project coordinator of GAP in 2009). Therefore, the project highlights renewal and physical upgrading with the partnership of local government and private sector. On the other hand, there is no issue related to social structure and target group in the regeneration goals of the project. A responsible architect of the project also mentions that the "gentrification" is an outgrowth of the rehabilitation and explains his vision as:

"Rehabilitation always involves" gentrification" within its own dynamics. I think, its opposite is not valid. To examine the project from the frame of the tenants is a wrong approach. Similarly, to target only physical rehabilitation and to exclude social component is also a wrong approach." (Interview with a responsible architect for the thesis study in 2009)

Hence, the vision of the project is quite different than RFBDP. On the one hand, RFBDP mainly aimed the rehabilitation of the inhabitants living conditions and poor environment along with the conservation of historic heritage. On the other hand, Fener and Balat regeneration project aimed at succeeding a physical renewal with or without the existing inhabitants.

5.2.2. Main strategies to accomplish:

The main aim of this section is to compare the main objectives of two projects that are declared before the implementations. This section presents the differences of the produced documents and project strategies.

³³ The statement is taken from the speech of the mayor in www.fatihbel.gov.tr.

More specifically, the RFBDP report focuses on the social aspect of the intervention as well as the physical one. Respectively, it includes main objectives, a presentation of the physical structure of the neighborhoods, social surveys, and the social strategies of the program. On the other hand, the FBNRP booklet consists of the main objectives, legal basis, and ownership alternatives for property owners and restoration techniques of the project.

The RFBDP report strengthens the significance of the community participation, formulates relevant strategies, discusses precautions against gentrification and intends to respond to the anticipated questions. Every section of the program underlines the inhabitants' rights to continue to reside in the neighborhood despite the intervention and emphasizes the focus of the project on the existing residents including tenants and property owners. The report also includes a detailed survey analysis related to the housing stock, economic activities, and socio-economic conditions of inhabitants, requirements of residents and evaluation of gentrification risks.

On the other hand the FBNRP booklet states that every property owner should participate in the project and unless they can afford the construction expenditures they should move. The project involves neither social and participatory strategies nor precautions against to speculation.

Although the main aim of RFBDP is to recreate a viable, vital community along with the conservation of cultural heritage, the FBNRP aims at regenerating the physical structure of the neighborhood. RFBDP proposes well-defined and concrete objectives to achieve its strategies, highlights the requirements of existing inhabitants in restoration, and proposes the construction of social facilities including health centers, mother and child center, playgrounds and occupational training units. Furthermore, the program underlines the significance of community participation and proposes a leading "cooperative" model. On the other hand, FBRP involves no strategy with respect to the rehabilitation of socio-economic conditions of existing low-income families. The project commits to accomplish the regeneration of the physical structure and reestablishing the connection of neighborhoods with the sea. Hence, the project excludes the existing inhabitants while aiming at upgrading the physical structure at any cost.

Accordingly, the RFBDP report underlines the emphasis of the project on benefitting current residents and formulates the following main strategies in this sense;

1. Rehabilitation of housing stock according to the requirements of existing inhabitants:

Main aim is to achieve the physical rehabilitation of the houses in order to improve living conditions of inhabitants along with the conservation of urban and architectural features. The implementations should not contradict with modest life styles of the inhabitants.

2. Supply of the equipment in order to provide social improvement:

To provide support for the education of children in the neighborhoods, health clinic, nursery and women training courses.

3. Establishment of occupational training services:

Post secondary and occupational education services must be developed for both children and adults

4. The upgrading of the urban environment through the rehabilitation of infrastructure, public services and regeneration of commercial activities:

A sustainable policy including public services should be implemented to conserve the historic urban heritage and a collective identity should be formed belong to the neighborhoods.

To achieve these strategies, the RFBDP report states that the program commits to accomplish the following objectives: To implement basic and extensive repairs under the guidance of UNESCO experts; to organize a "cooperative" in order to develop dialogue between the inhabitants including property owners/ tenants and Technical Assistance Team; to establish craft workshops, textile institutions, study rooms, mother and child centers, drug center, health care center and clubhouse for locals; to upgrade infrastructure; to connect natural gas system; and to construct open space sports facilities, green areas and parks.

This shows that the program has clearly defined its strategies and objectives. EU and UNESCO have also applied this approach and, respectively, supervised the building restoration process with the improvement of the existing families' life quality. It was essential to rehabilitate the old housing stock to benefit long-term inhabitants. The report underlines that rehabilitation project is the unique solution which provides the conservation of historic site with comparatively low expenditure and without exclusion of long term low income inhabitants.

On the other side, the FBMRP formulated its strategies mainly focusing on the physical regeneration. The FBMRP project coordinator in the GAP construction company expresses this in his following statement:

“Project aims to succeed the regeneration of physical structure, rehabilitation of environmental conditions and evaluation of potential in the neighborhoods with a conservation approach. It aims to create a living space in day and night along with the preservation of historic heritage” (Interview with the project coordinator of Construction Company for thesis study in 2009).

Some project strategies include the conservation of historic buildings and monuments, the rehabilitation and regeneration of the physical structure, the protection of the area’s cultural value, the empowerment of the accessibility of the area, regeneration through the injection of functional diversity and creation of qualitative living spaces, maintenance of sustainability, leading to change, development and regeneration, increase the resistance of the houses against the earthquake, and upgrading the living conditions of inhabitants (Interview with the project coordinator of Construction Company for thesis study in 2009)

The project respectively presents the objectives to achieve the stated strategies. They include re-establishment of the sea-ward connection, the integration of neighborhoods through the encouragement of sea transportation, the change of building settlement turning back to the sea to provide the sea view, and the intersection of cultural axes in historic peninsula and cultural properties in the regeneration area.

5.2.3. Main objectives on spatial and socio-economic aspects and ownership

“...that everything spatial is simultaneously, even problematically, social, it is much more difficult to comprehend the reverse relation, that what is described as social is always at the same time intrinsically spatial...” (Soja, 2000)

In line with Soja’s argument on the interconnectedness between social and spatial, this part compares the socio-economic-ownership strategies of two projects within the context of spatial strategies. Both projects involve upgrading the spatial structure, yet while RFBDP uses rehabilitation as a method of intervention and links it with social improvement, FBMRP mainly embraces reconstruction as a method of intervention and is not concerned with the present community. This section presents a comparison analysis of the spatial upgrading strategies including buildings, open space and utilities/services with respect to proposals on socio-economic and ownership patterns in the neighborhoods (Figure 5.31). The comparison is limited to the analysis of project strategies since FBMRP has not been implemented yet, and thus, the analysis of socio-spatial change after the implementation of the interventions cannot be done. On the other hand, insights from the implementation of RFBDP will also be

added to the analytical discussion to emphasize the socio-economic and ownership significance of the program’s spatial intervention. The comparison also shows that the involvement of international agencies may lead to differences in the content of strategies and may increase the socio-economic benefit of the existing community.

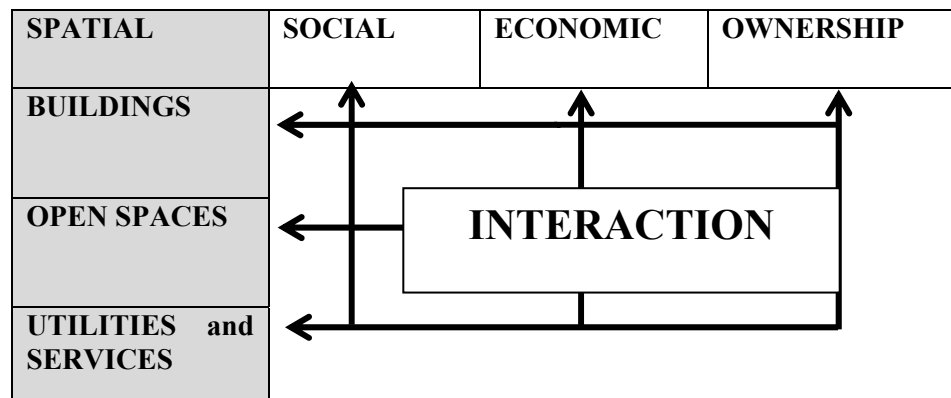


Figure 5.31: The explanation method of the comparison part

5.2.3.1 Buildings:

This section presents the major findings on the program/project objectives about buildings and how they are integrated with socio-economic and ownership objectives of the two projects (Table 5.6-5.7) The comparison is done specific to building use including residential, social and commercial.

RPFBD claims to pursue the restoration method to rehabilitate the buildings. In line with the project’s building strategies, %17 of historic buildings has been rehabilitated for residential, commercial and community use through basic and extensive repairs. The restoration process has gone in three phases under a serious supervision and follow-up of EU as well as in strong sensitivity to the inhabitants’ preferences. In the first phase, façade and roof repairs were completed. The second phase also targeted the restoration of commercial buildings including shops and the Balat Market. Social centers were restored during the second and the last sections .

While RPFBD adopts physical upgrading as a means to improving the inhabitants’ life quality, FBMRP intends to apply contradictory intervention methods to conservation without embracing the significance of inhabitants’ participation to the proposed regeneration process.

In social terms, the restoration strategies of RPFBD apply mainly the repair of buildings and their sustainability through social empowerment and increase of the institutional capacity. On the other hand, FBMRP claims to use renovation, restoration and reconstruction methods for the regeneration of the neighborhood and does not formulate actionable objectives to maintain the neighborhood with its social fabric. This directly excludes inhabitants from the intervention. FBMRP's clear statement on physical upgrading for existing residents 'or' new comers may also imply that the intervention may lead to some degree of social transformation in the neighborhood. Furthermore, reconstruction as one of the main intervention approach of FBMRP calls for demolishing the authenticity of the neighborhood, displacement of existing inhabitants, and in turn, introducing a new physical-social structure to the neighborhood.

Economically, unlike FBMRP which had no strategic declaration for the economic development of the Fener and Balat neighborhood communities, RPFBD has also put forward economic upgrading through various physical and organizational projects such as the restoration of two buildings for social use and as an income raising means, the restoration of shops in Balat Market and the market itself while applying associative programs, and the rehabilitation of housing stock in general to increase the economic attractiveness, and thereby, livability of the site. Finally, while RPFBD intends to sustain long-term inhabitants in the neighborhood, FBMRP's suppressing approach on existing inhabitants may imply that it takes the risk of losing the existing community upon the implementation of the project. Concerned to the ownership, RFBDP defines the target group of the project as long term, low-income inhabitants and tenants who want to live in the neighborhoods but cannot afford to rehabilitate their houses. In this sense, the approval of property owner to participate in the project is a requirement of RFBDP.

Concerned to the ownership, RFBDP defines the target group of the project as long term, low-income inhabitants and tenants who want to live in the neighborhoods but cannot afford to rehabilitate their houses. In this sense, the approval of property owner to participate in the project is a requirement of RFBDP. Besides, RFBDP took precautions against the displacement of low income families including signing agreement with property owners not to sell their houses for 5 years and not to increase the rents more than the past years and selection of the houses whose property owner has not changes after 1997.

	Approach	Target Group	Implementations/Designed Implementations
RFBDP	Spatial- Creation of replicable rehabilitation model by staying true to authenticity of the buildings as well as upgrading the living conditions of inhabitants.	Long Term households and tenants who want o live in the district	-Restoration of buildings' façades; -Maintenance of roofs, doors, stairs and ceilings; -Improvement of wet areas in the houses.
	Social- Improving the socio-economic conditions of inhabitants along with the creation of public participation and awareness.	Long Term households and tenants who want o live in the district	-Rehabilitation of public schools and establishment of after school courses; -Organization of seminars concerned to education and health; -Creation of public participation and awareness
	Economic- Improving the socio-economic conditions of inhabitants and regeneration of commercial activities.	Long Term inhabitants and tenants who want o live in the district	-Providing occupational courses for the inhabitants; - Rehabilitation of shops in Balat Market
	Ownership- Rehabilitation of historic housing stock without causing displacement and speculation.	Long Term inhabitants and tenants who want o live in the district	-Selection of the houses whose ownership has not changed after 1997. -Signing of an agreement with property owners not to sell their houses for five years -Rent control strategy

Table 5.7 Approach, target group and implementations of RFBD

	Approach	Target Group	Implementations/Designed Implementations
FBNRP	Spatial- Regeneration of physical structure.	Existing inhabitants who can afford to par construction costs/New higher income groups	Restoration of buildings via redesign of plan schemes and façades. Reconstruction
	Social- Improving the socio-economic conditions of neighborhoods through the construction of social and cultural buildings.	Existing inhabitants who can afford to par construction costs/New higher income groups	Construction of social and cultural buildings.
	Economic- Providing economic regeneration through the construction of new commercial units and attracting new investments.	Existing inhabitants who can afford to par construction costs/New higher income groups	Construction of new upscale commercial units.
	Ownership- Restoration and reconstruction of historic houses with or without the acceptance of property owners.	Existing inhabitants who can afford to par construction costs/New higher income groups	-Presentation of alternatives for property owners: -To pay the construction costs of restoration works To move a social housing in another district - To move a smaller house in the same neighborhood

Table 5.7 Approach, target group and implementations of RFBD)

5.2.3.1.1 Residential buildings

My research on existing project/program reports as well as the in-depth interviews with key actors of both processes show that RPFBD significantly differs from FBNRP in terms of their sensitivity to socio-economic improvement of the community and increase in ownership. While RPFBD defines clear strategies and achievable objectives to enhance economic development, to sustain the existing community, and to sustain the number of long-term inhabitants, FBNRP makes proposals that would imply the displacement of the existing community and the introduction of a new spatial, socio-economic and ownership context.

More specifically, RPFBD aims at restoring housing buildings while conserving urban and architectural features to improve inhabitants' living conditions. The program underlines that the implementation should not contradict with the modest life styles of the inhabitants. Furthermore, the program intends to produce a "successful" model, which guides a smooth spatial and social transformation replicable in other urban rehabilitation projects. In spatial terms, the program targets the application of a leading restoration intervention, which preserves the original character of the building and which improves the restoration quality in general throughout the city.

Moreover, socially, to enhance the sustainability of the restoration intervention, the program adopts the participation of inhabitants as an approach to change. It also proposes the improvement of the institutional capacity of the involved local authority, the accumulation of the accurate database on the existing historic building stock for future use and implementation.

The restoration of residential buildings is the largest shared component of the RFBDP budget. The program intends to rehabilitate several buildings selected based on the architectural and social . My research shows that the program proposed the restoration of nearly 35% of the existing historic buildings (225 of 744 buildings). The restoration of 84 houses out of 744 historic buildings could be completed in three phases (Table 5.8). The duration of these phases and the number of residential buildings subject to restoration differed with respect to the negotiation process between the project coordinators and the inhabitants. While in the first phase, there was not adequate number of people who participated to the negotiation process, in the following phases participation increased. Especially, there were an excessive number of applicants in the final phase.

Table 5.8 The number of houses rehabilitated in RFBDDP.

	HOUSING	
	Basic Repairs	Extensive Repairs
First Phase	22	4
Second Phase	24	13
Third Phase	7	14
TOTAL	53	31

The first phase started upon the designation of the buildings. The houses in this group are selected based on the need for façade and roof repair. The Fatih Municipality and inhabitants immediately signed an agreement and the restoration projects of 26 buildings were prepared and submitted to the approval of the Protection Board. EU announced the call for the first tender in 2004, which concluded in the end of the year. The EU tender procedures guided the selection process of contractors. Respectively, the Pekerler Construction Firm started the construction activity in the site for the selected 26 houses upon the approval of householders in August 2004. The restoration works including basic repairs, renewal of doors, windows, and removal of additions completed in October 2004 with a cost of 377,000 €.

Coordinator of the RPFBD has underlined the significance of community participation and expressed their approach in this regard as:

"People come to our office, we hold meetings, they assert their views and contribute the project during the restoration process (Interview with the local coordinator of restoration component in 2009)

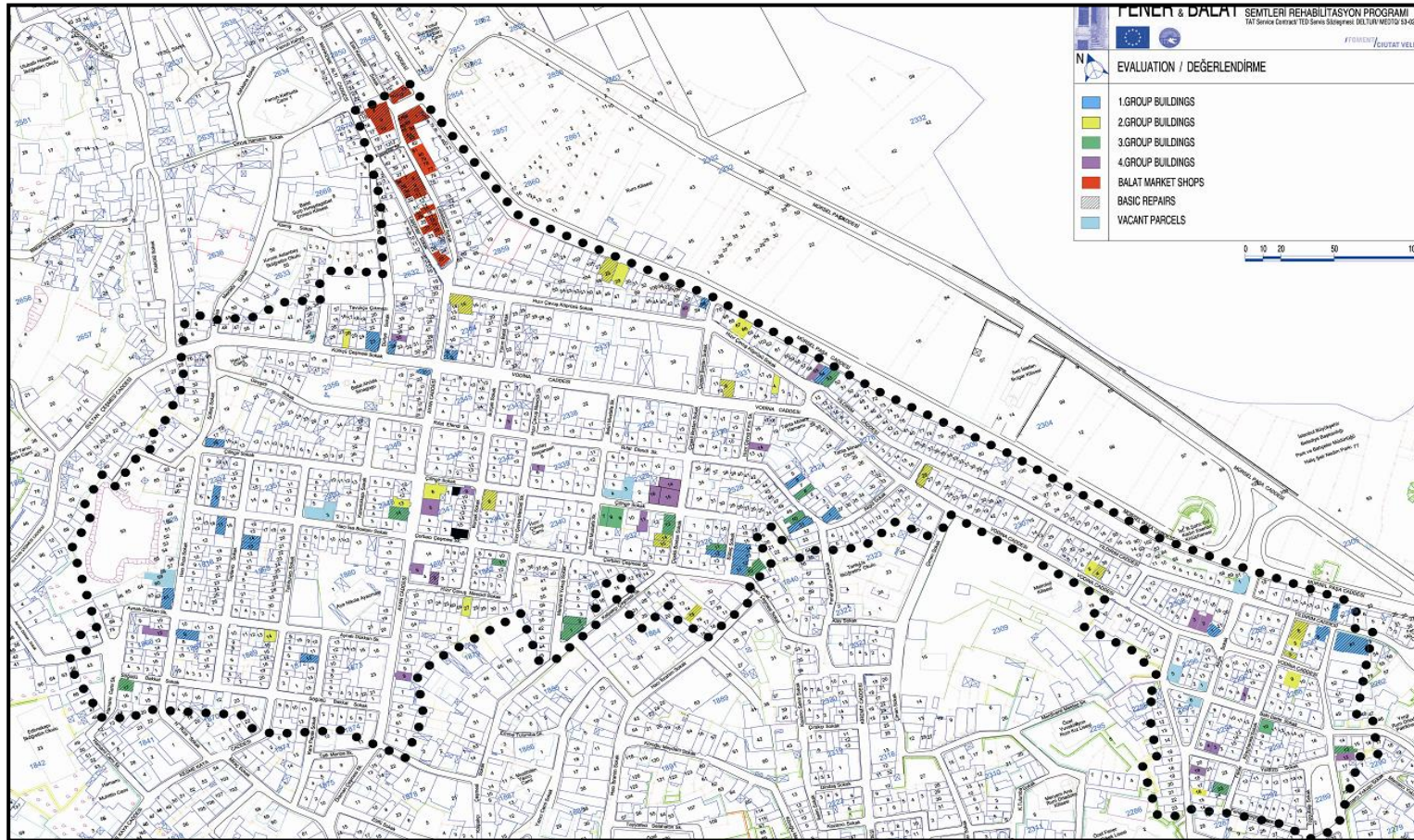


Figure 5.32: The location of buildings being restored resource:www.fenerbalat.org)

The project organized a street party to present the project and to encourage the community involvement before the implementations (Figure 5.33). Also, local coordinator of restoration component has mentioned that;

"... Street parties and meetings were conducted in order to present project to local people. Support of local people was very important and this could not be achieved without participation. Adding, to access the houses, privacies in a sense, during the physical rehabilitation require trust and support" (Interview with the local coordinator of restoration component in 2009)



Figure5.33: Street Party for inhabitants (source:www.fenerbalat.org)

The participation was relatively low in this phase mainly due to the rumors about the intention of this program to transform the cultural identity of the neighborhood. The local coordinator of the Restoration Component supported this in the following lines:

"Before the local elections several rumors began related to the project such as ' the neighborhoods will be Vatican and the district will be sovereignty ' (Interview with the Local Coordinator of Restoration Component for thesis study in 2009).

My research shows that the program overcame this speculation through dialogue with inhabitants and a special effort to complete the restoration work in a shorter period of time than anticipated. To quickly complete this phase was essential to show inhabitants the intention of the program. Consequently, inhabitants of 26 houses were convinced for façade and roof repair and the repair was put into action between December 2004 and October 2005 (Figure5.36). An inhabitant who agreed for the restoration of his property expresses this as follows:

"When I first heard the project, I did not want to participate. Neighbors told that UNESCO takes the houses and gives the non-Muslim communities. The coordinators came to my house

but I rejected to participate. After a while, they came again and explained the project in detail. They clarified my queries. Then, I decided to sign agreement and accepted the repairs”. (Interview with inhabitants for thesis study in 2009)



Figure 5.34: Houses before and after rehabilitation (resource:www.fenerbalat.org)



Figure 5.35: Houses before and after rehabilitation (resource: www.fenerbalat.org)

The second phase began in December 2006 and lasted until December 2007. This phase targeted a more comprehensive scope. My research shows that this included the basic repairs of 24 houses and the extensive repairs of 13 houses (Figure 5.34). The participation of residential applicants almost doubled in this phase.

Lastly, the third phase included the rehabilitation of houses including the basic repairs of 17 houses and extensive repairs of 14 houses. This phase lasted between December 2007 and June 2008. This added up to a total of 84 historic buildings that were restored in the neighborhood. More property owners showed an interest to participate to the restoration process and their houses to be repaired.

My research shows that FBNRP demonstrates a different focus and approach to physical upgrading of residential buildings, and, in turn, social implications as a result of the intervention. More specifically, FBNRP involves the physical upgrading of 230 historic buildings embracing the seashore area between Ayvansaray and Fener pier. The booklet states that 18,7% of buildings require basic repairs, 19,4% has lost its structural features and 61,9% require extensive repairs, thus the 80% of residential buildings require large-scaled intervention. The booklet also emphasizes that 85% of all residential buildings require urgent intervention due to earthquake risk.

Although, RPFBD and FBNRP are different, project areas intersect. This shows that two projects make contradictory arguments for the same area. This shows that two projects make contradictory arguments for the same area. FBNRP proposes the demolition of a number of buildings that are restored within the scope of RFBDDP (Interview with the local coordinator of restoration component in RFBDDP, 2009). My research shows that these buildings can be rehabilitated through simple interventions but should certainly not be demolished (Interview with the local coordinator of restoration component in RFBDDP, 2009) RFBDDP has already defined the requirement level and earthquake resistance of historic buildings according to the detailed surveys including the seismic report of University of Bath and expert opinions

Furthermore, FBNRP pursues contradicting approaches to conservation and focuses only on the physical upgrading of buildings. This can be read in the following statement of the Project Coordinator:

"The project comprises numerous architectural approaches such as conservation, restoration and restitution of historic buildings and supports mixed use which will ensure that the area will be busy round the clock. Project aims to succeed the regeneration of

physical structure, rehabilitation of environmental conditions and evaluation of potential in the neighborhoods.” (Project coordinator of GAP Construction interview for thesis in 2009)

The existing reports and in-depth interviews reveal that the project intends to apply various architectural intervention approaches including restoration, renovation and reconstruction. Examination of the drawings show that the project defines ‘restoration’ as the redesign of plan schemas and façades accordingly, ‘renovation’ as the redesign of only plan schemas while "conserving" the facades and ‘reconstruction’ as the construction of the replicas of historic buildings. Among these approaches, ‘reconstruction’ can be understood as a rather destructive physical upgrading approach at the expense of inhabitants’ lives and the authenticity of the historic stock. This significantly differs from RPFBD that takes a definite attitude for upgrading buildings on the condition of the good of inhabitants.



Figure 5.36: Before and after the restoration of the building in RFBDD.



Figure 5.37: Before and after the restoration of the building in Fener and Balat neighborhoods regeneration project (res:www.sepinmimarlik.com)

The intervention techniques defined in the project include the redesign of plan schemes and the renovation of registered buildings' elevations, the redesign of plan schemes and the conservation of registered buildings elevations, the reconstruction of the buildings in their original character, and the redesign of non-registered buildings

Figure 5.37 demonstrates an example to the FBNRP's proposed radical transformation leading to the disappearance of the authenticity of the neighborhood's historic structure. This also shows how the end product of the RFBDP's rehabilitation approach (basic and extensive repairing) may differ from the visual representation of the FBRP's reconstruction approach.

FBNRP contains a substantial section on the means and organizational structure of the realization of reconstruction. The project suggests the division of the regeneration area into

seven different architectural groups, each building blocks to be designed by a different architect.

Figure 5.38 shows the plots no 2833 and 2830 and an example to a proposed reconstruction design by Sepin Architecture- Engineering Construction Limited Company. The parcels are located along the seashore. The project proposes three housing blocks calling for the demolition of the existing historic residential buildings and the construction of block-type apartment flats following on along the shore horizontally. .



Figure:5.38 : Proposed buildings on the plots 2830 and 2833(resource:www.sepinmimarlik.com)



Figure 5.39: Three blocks on the plot 2830-2833 (www.sepinmimarlik.com)

An analysis of the architectural and design details of the project shows that it introduces a different type of streetscape, indoor and open space design, the use of different materials,

and thus, a different lifestyle from the original. First, it demolishes and prevents the historic view of the neighborhood. It aims at forming a building block by merging more than one parcel, equalizing building heights, and including new basement floors (Figure 5.40-41; 42-43). These suggest a different type of housing pattern to the neighborhood's original row housing pattern. Secondly, the project intends to create semi-private indoor open space with a pool and courtyards. This, thereby, may disconnect the residential life from the street and may lead to creating gated communities within the historic neighborhood. Finally, proposed materials do not adequately address the authenticity of the existing materials. Figure 5.44-454 shows the visual presentation of the suggested materials.

Introducing a different architectural and open space design may bring forth the change of the social structure of households. The original plan schema of the historic houses is designed for one family and functioning vertically³⁴ Different from RFBDP which did not intervene in the plan schemes of the houses, FBNRP proposes the change of the buildings' functional characteristics.

FBNRP also differs in terms of strategies concerned to community participation. On the one hand, RFBDP made an effort to inform the inhabitants and provide community participation through meetings, parties and several activities from the beginning to the end. On the other hand, FBNRP had no attempt to present the project to the inhabitants (Interviews with the inhabitants for thesis study in 2009-2010).

The economic aspects of the two projects also significantly differ from each other. While RPFBD formulates clear strategies and achievable objectives to improve the economic level of the community, FBNRP has no strategy related to the development of inhabitants' economic conditions

³⁴ Since the historic houses of the district are designed for one family, kitchen and bathrooms locate in different floors and also living rooms and bedrooms are designed according to the living style of one family.



Figure 5.40-41: The project uses the reconstruction method to regenerate physical structure.(Street elevations of plot 2838 - present condition and regeneration project-)

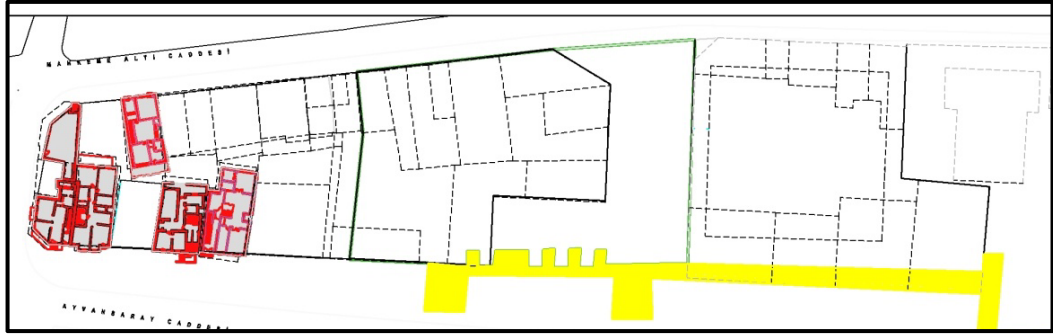


Figure 5.42: The ground floor of the buildings –present condition-



Figure 5.43: The ground floor of the buildings-regeneration project-



Figure 5.44 Views from the courtyards indicate the target groups of the project.
(resource:www.sepinmimarlik.com)



*Figure 5.45: Views from the courtyards indicates the target groups of the project.
(resource:www.sepinmimarlik.com)*

RPFBD aims at connecting the neighborhood to other urban and regional developments in general through the rehabilitation of the housing stock. To do that, the project sees the emphasis on the authenticity of neighborhoods as essential for succeeding economic improvement. This calls for a major rehabilitation process in the housing stock, which is expansively discussed above.

On the other hand, FBNRP proposes the production of new recreational areas and their utilities for inhabitants and visitors which may be interpreted as concerned with the economic development of neighborhoods. These areas may potentially provide opportunities for inner-neighborhood employment. Moreover, the project suggests the linkage of neighborhoods with the nearby locality and the city in general. Although this may convey implications for economic improvement, the project does not contain achievable objectives to realize it.

As for the ownership strategies of two projects, it is fair to claim that RPFBD conveys a much more sensitive approach to sustain the existing inhabitants through increasing the ownership with the proposed intervention than FBNRP which implies the obeisance of inhabitants to whatever the project envisages.

Every section of RPFBD emphasizes the sustainability of long-term inhabitants. The project defines long-term inhabitants to include low-income households and tenants who are willing to live in the neighborhoods but cannot afford the rehabilitation of their houses

The 1998 Report of the programme also strongly emphasizes the significance of the ownership strategies especially to preserve the tenants. The programme carefully defines precautions to sustain the existing community, to prevent speculation and displacement of both tenants and property owners. This also shows in the following statement of the Local Coordinator of the Restoration component of the programme:

“There are significant items related to ownership strategies of the project. First, restoration works were implemented through the EU funds and property owners did not pay any value. Second, an agreement was signed with property owners not to sell their houses for five years. Further, we selected the houses whose property has not changed after 1997. Finally, property owners could not raise the rental value above the inflation rates” (Interview with the local coordinator of the restoration component in RFBDP, 2009).

In the beginning of the programme, the programme manifests itself as a product of international organizations. Within this respect, the programme aims at becoming a pilot project to guide local authorities in the rehabilitation processes of other historic and decayed neighborhoods. Thus, RPFBD was conceived as a pilot project that could establish a methodology for the restoration of decayed historic districts along with the uplifting the social, economic and living conditions of the inhabitants. (UNESCO 2008 mission report). Respectively, the programme put forward the following ownership strategies:

- The selection of the houses whose property owner has not changed after 1997 to prevent speculative market.
- The signing of an agreement with the households not to sell their property in five years.
- The signing of an agreement with the households not to increase the rents more than the previous years.
- Paying the moving and accommodation costs of inhabitants- tenants or property owners- during the rehabilitation.

On the other hand, FBRP presents ways to compensate the cost of physical upgrading for the expense of displacement of existing neighborhoods (Fatih Municipality, 2008). These include payment of construction costs by existing inhabitants, their displacement to smaller

houses, their displacement to Housing Development Administration (HDA) houses, and the confiscation of their property. Considering the dominant economic level of the existing community, it is fair to state that the first economic package cannot be realized without any financial support or incentives. Thus, in the absence of any support, this may result in the exclusion of existing inhabitants from neighborhoods. Moreover, the last three openly suggests the displacement of existing inhabitants. The underlined message is that ‘who cannot afford the construction costs should move’.

According to the programme of the regeneration project following rights will be given to property owners; the proposed ownership strategies are as follows:

- The buildings that will be proposed to property owners will be defined according to their existing location. As far as possible, new houses will be located in the same or near plot of the old one.
- Property owners of commercial units may still purchase commercial units.
- The value of houses will be paid in cash to inhabitants who do not want to participate to the project.
- Shareholders of properties may benefit from the council houses of HDA.
- The inhabitants may restore their houses with their own budget on condition that the implementations of projects will end simultaneously with local state.
- Local state will pay a monthly to all property owners who earn a living only with one rental income. The amount of monthly will be designated by local state.
- Local state may provide a rent subsidy for property owners who own only one house.

The programme of Fener, Balat regeneration project also indicates that all tenants, who can certify their tenancy before the tender date, will have following rights;

- All tenants will get moving subsidy for one time. The amount of the subsidy will be defined by municipality.
- All tenants can move to council houses of HDA without lot and deposit.
- The tenants, who inhabit in the neighborhoods more than ten years and do not want to move another district, may inhabit in the council houses of municipality for one year with a rent value that will be defined by local state. If the demand exceeds the existing house stock, lottery will be conducted between applicants.

5.2.3.1.2. Social Buildings

This part introduces the spatial, social, economic and ownership strategies of two projects based on the social buildings. My researches show that RFBDP intended to develop strategies in order to improve the socio-economic conditions of the long terms residents through the establishment of social centers. However, FBMRP involve the construction of new cultural buildings that service to higher income groups rather than existing communities.

The most significant part of the RPFBD was the emphasis of the programme on long term inhabitants. The programme intended to improve the socio-economic conditions of the inhabitants. In this respect, the programme proposed a social center in which a health clinic, nursery, training courses, mother and child center locates. RFBDP designed to extend the functions of social centre into several buildings in the neighborhoods to provide wide service. Accordingly, two buildings restored to function as social center during the RFBDP. One of them is the building named as "7-8-9 parcels" and the other is Dimitri Kantemir House. (Figure 5.46-5.47)



Figure5.46-5.47 : Social Center named as 7-8-9 parcels 8 and Dimitri Kantemir House (Personal archive, 2009)

The procurement of buildings for social center was the duty of Fatih Municipality. However, the municipality could not achieve this duty on time. Thus, the activities of social center were performed in a temporary building for nearly one year. Another building restored to

function as a social center was Dimitri Kantemir House³⁵. The restoration of Dimitri Kantemir House completed in 25th June 2007 (Figure.5.48) According to the agreement between Fatih Municipality and Romania government; the upper floor would be allocated to Kantemir's museum while the ground floor and the garden would be used for Fener Balat Social Centre (Interview with the local coordinator of restoration component for thesis study in 2009). However, no activity has been conducted in Kantemir's House related to social center. Its door is locked.



Figure 5.48: Opening of Dimitri Kantemir House (source:www.fenerbalat.org)

RFBDP proposed that Social Centre would be managed by a non- governmental organization and the centre was primarily designed to serve the need of women and children. Tender process began in order to designate the NGO that would manage the social center in April 2005. As a result, Human Resource Development Foundation (İnsan Kaynaklarını Geliştirme Vakfı) began to work in August 2005 in cooperation with the Social Attempt and Development Association and Culture Conscious Development Foundation (Kültür Bilincini Geliştirme Vakfı). In this period, Fatih Municipality could not find a vacant building for Social Center and thus, activities have been performed in a temporary building.

Following the establishment of the social center, the activities have started by January 2006. The official opening of the social center has been made in May in the form of a ||Summer Welcoming Fest|| with the participation of representatives from the EU Delegation and Fatih Municipality as well as the inhabitants.

³⁵ Dimitri Kantemir is a twice prince of Moldovia and a famous writer, historian and composer.

A total of 10 full time experts and two full time administrative support staff have been assigned as the Center staff in the first five months of the project. In the first three months, experts of the social center has developed a contact with different groups including tradesmen, muhtars and women in order to introduce the aims and activities of social center(Final Narrative Report of Development Of Human Resources Foundation, 2007). Further, incumbents introduced the functions of social center to the primary schools of the neighborhoods. .

Moreover, HRDF has established a child unit within the center for children of ages 4 and 5. Two childcare specialists have been recruited for this unit, which was operational from 09.30 to 17.00 weekdays. The parents of 64 children have applied for registration at the children unit. However, only 15 children have been selected to benefit from this unit because of the physical capacity.

Also, HRDF has developed seminars and focus group discussions in order to increase the awareness and knowledge of inhabitants. A total of 39 seminars have been conducted with the participation of 331 women during the project period. Moreover, a total of 215 adolescents have participated at these meetings during the project period. Beside, the facilitator provided one-on-one counseling to the residents when needed. She has provided counseling to 252 persons during the project period. Main issues discussed during the counseling sessions were; marriage problems, childcare issues, family problems, self expression, school problems, communication skills, communication in the family, panic disorder, solving problems, anger management, mourning process, menopause, adolescence related problems and sleep disorders(Final Narrative Report of Development Of Human Resources Foundation, 2007)

Social center also developed activities in order to improve education in the district. HRDF organized several specific classes in the primary schools. Therefore, a total of 129 students benefited from PC classes, 176 students benefited from English classes, 78 students benefited from Mathematic classes during the project period. Furthermore, center organized a program called —parent school partnership|| . The main goal of the program was to increase the awareness of the members of parent-teacher council (PTC) thus the awareness of the general parent community.



Figure 5.49: Trip to archeology museum with the children in 02.04.2005 (source:www.fenerbalat.org)

The program intended to spark parents to organize activities for their kids' schools. Accordingly, parents were motivated to collect books for the school library at Tarik Us primary school. Center staff also started a campaign and a total of 85 books collected for the school library (Final Narrative Report of Development Of Human Resources Foundation, 2007)

Another organization of social center was related to cultural activities which aimed to increase the awareness of the children/parents on historical and cultural values. To that end, two trainings have been conducted with the participation of 47 volunteers from Universities and Private Sector Volunteers Associations. Training modules with three stages were engendered for children. First stage was "Learn about our city (Galata Tower, Sultanahmet, Yerebatan Sarnıcı)" , second stage was "Learn about our environment (Fener and Balat Districts- alternate / —Cultural Values in our district and their preservation|| covering Fener and Zeyrek Districts) " and third stage was "Learn about our neighborhood (Fener and Balat Districts- alternate / —Cultural Values|| including Balat District and Kariye Museum) ". As a result, program has been implemented with the participation of 263 students during the project period (Final Narrative Report of Development of Human Resources Foundation, 2007)

According to the programme, Fatih Municipality would manage the social center one year after its establishment. In this respect, Fatih Municipality, Hearth and Home Foundation (Sıcak yuva Vakfı) and Fener Balat Association (Fener Balat Derneği) has began to drive

the activities of Social Center in 2007. Foreign language and supporter courses have been given for children. Further, occupational training have been provided for women in this period. Adding, food competition, spectacles and kermis were performed in social center.

RPFBD has also aimed for the active participation of community through the organization called "Community Forum". Forum intended to ensure participation via the encouragement of community to involve directly in project activities under the name of "community volunteers". The program selected both men and women to become directly involved the project activities. These volunteers have been selected carefully between the inhabitants who have gained the confidence of residents. The volunteers have received trainings in Social Center to contribute the programme in a productive way.

A further component of the program was the advisory community. The programme defined this community as an advisory body which composes of representatives of several ministries, European Commission, the Council to Protect Natural and Cultural Assets and chaired by Fatih Municipality. Accordingly, a series of meetings have been hold by these bodies and volunteers in order to provide an active public participation during the decision processes. Thus, Community Forum has been established to assemble all parts of the community and decision makers. In this context, 2003 programme has juxtaposed the objectives of the Community Forum as:

- To act as the local voice of the RPFBD and to reflect the common views of inhabitants in the project.
- To develop new ideas in order to provide more efficient activities.
- To introduce the aims of the programme
- -To encourage the community in order to voice their views related to their neighborhoods and local issues.
- -To develop a productive and helpful cooperation between inhabitants, TAT and Fatih Municipality.
- To encourage community leadership
- To improve the life quality of inhabitants through the empowerment of local democracy.

Concerned to economic development, RPFBD proposed using income raising tools. Respectively, the project aims at providing employment opportunities in the proposed Social Centers. In this way, the programme intended to raise monthly income of the families.

For this aim, experts of social center interviewed the women, who were registered at the social center, and filled out forms to identify their needs (Interview with the local coordinator of restoration component in RFBDP for thesis study in 2009). Thus, the staff decided to conduct —wood painting courses, trinket design and cloth dying courses. The courses started in March 2006 at the center. A total of 48 women completed the wood painting; 49 women completed the trinket design and 19 women completed the cloth dying courses. Totally, 116 women have attended these courses. Further, social center provided seminars to the women who had previously attended the vocational or PC courses at the center. A total of 58 women have received seminar on —Calculation of Costs and Profit Making in the Enterprises (Final Narrative Report of Development Of Human Resources Foundation, 2007)

Fener Balat regeneration project has several differences from RPFBD concerned to the social buildings. First of all, approved plans do not involve new public services or a social center. On the other hand, FBMRP proposes 2% of the total area for cultural use and involve the construction of new cultural buildings and recreational areas .

5.2.3.1.3. Commercial Buildings

In this part, I present the spatial, social, economic and ownership strategies of two projects based on the commercial buildings. On the one hand, RFBDP developed strategies in order to improve the economic conditions of the long term residents. To do that, the program conducted basic and extensive repairs to the shops in the historic Balat Market with the funds. On the other hand, FBMRP involve the construction of new commercial units that service to higher income groups rather than existing communities.

My research shows that as the second phase received more attention from the shop owners with an interest for the restoration of their shops, and basic repairs of 28 shops and extensive repairs of 5 shops were completed. All shops are located in the historic Balat Market. Additionally, infrastructure and lightening system of Balat Market have been improved within the scope of RFBDP(Figure 5.50)

The social strategies of RFBDP used in residential buildings are also used in commercial buildings. The same procedure composed of requirement of approval and encouragement of participation was also applied in the rehabilitation of shops in historic Balat Market.



Figure 5.50: Balat Market after RFBDP (Personal archive, 2009).

RPFBD proposes adopting programs and connecting the neighborhood to other urban and regional developments throughout the city. The project aims at assisting shop owners to improve their businesses and to become compatible in the city's economy. Moreover, it aims at connecting to the citywide developments in general through restoring shops and the Balat Market. RFBDP predicts the Balat Market as the access door of the neighborhoods and intends to transform Market into an attraction point. In this way, RFBDP aimed to regenerate economic activities in the Market. 1998 report has juxtaposed the division of labor to rehabilitate the Market as; to upgrade the physical conditions of the buildings and shops, to produce urban design plans in order to emphasize the entrance points of Market from Haliç seashore, to create a new attraction for Market rather than ordinary shops(TAT); to upgrade the infrastructure and lightening system (Fatih Municipality); to support the touristic features of the district through involvement of neighborhoods into sightseeing tours (İstanbul Metropolitan Municipality). TAT and Fatih Municipality fulfilled their duties. However, İstanbul Metropolitan Municipality has not developed any strategy to highlight the touristic features of neighborhoods and to integrate the district into city.

The ownership strategies for residential units also apply for commercial units in RFBDP. The rehabilitation works are conducted with the funds and the same agreements were prevailed for the participants.

On the other hand, FBNRP proposes 12% of the area for commercial use, 16% for hotels, and 8% for office use.(Figure 5.51).

As seen in the shop design (Figure5.52-5.53),³⁶ the project suggests enlarging the usable space of 16 shops on the ground floor level by demolishing nearly 50% of the existing walls. Furthermore, the project intends to apply a similar design approach to the construction of shops as it suggests for houses.

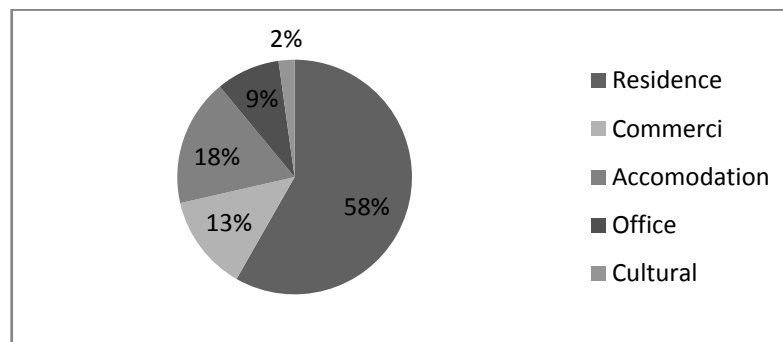


Figure 5.51: Distribution of functions in the regeneration project (res:prepared according to booklet of Fatih Municipality, 2008)

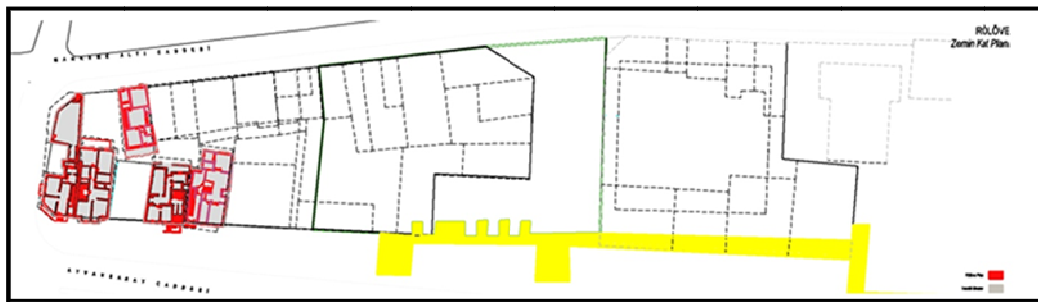


Figure 5.52: Present condition- Ground Floor Plan(plot 2830-2833)

³⁶ Plan of the buildings in plot 2830-2833.

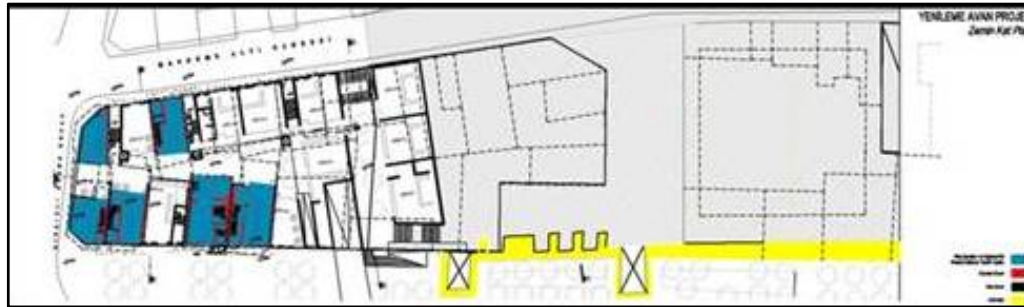


Figure 5.53: Regeneration Project-Ground Floor Plan(plot 2830-2833) (Functional changes in the plan schemas)

The proposed production of restaurants and boutique hotels may potentially provide employment opportunities for inhabitants (Figure 5.54-5.55). However, the change in the quality of commercial units and the targeted clientele may lead to the search of more investments, which may, thereby, call for target groups other than the existing inhabitants. According to the survey of Enlil and Bilen(2008), more than quarter of the existing inhabitants (29%) whose monthly income is lower than the poverty threshold and almost two third (61%) of inhabitants, graduates of primary school, may not simply have adequate skills to work in these facilities. Moreover, the existing shops may not compete with the new businesses without financial support. This, in turn, may lead the shop owners to sell their properties. Furthermore, shop tenants may not cope with the increasing rents. FBRNP does not provide any subsidy for these kinds of scenarios in case of the implementation of the project.



Figure 5.54: Proposed commercial units –shops and restaurants- in the regeneration project. -
(res:www.yakuphazan.com)



Figure 5.55: Proposed units –shops and restaurants- in the regeneration project. - (res:www.yakuphazan.com)

The ownership alternatives of FBMRP related to commercial units are also same as the residential buildings. Property owners of commercial units should pay the construction costs. If they cannot afford to pay, they should sell their property or move to another smaller commercial unit.

5.2.3.2. Open Spaces

This part presents the interaction between spatial restructuring in open spaces and social-economic-ownership strategies. The study examines the open spaces of neighborhoods in line with the social-economic-ownership strategies of two projects.

The neighborhoods suffered heavily from environmental pollution, garbage, lack of green spaces, parking areas, playgrounds and open space facilities before the RFBDP. The surveys conducted in 1998 have indicated that one of the prior requirements of inhabitants is the cleaning of the environment. Also, 40% of respondents in 2004 surveys complained about the inadequate garbage collection and environmental pollution. In this respect, both projects developed strategies to succeed the physical rehabilitation of open spaces.

RFBDP developed strategies to rehabilitate open spaces in line with the site surveys. The programme mainly aimed at succeeding two matters; construction of new recreational and green areas; developing strategies related to the environmental pollution. However, there are distinctive between the proposals and the implementations of the projects.

Firstly, the programme aimed to develop a strategy to overcome the environmental pollution in the neighborhoods. Community participation was also a part of strategies. In this respect, RFBDP determined the most applicable strategy in coordination with all project partners and inhabitants. TAT organized a comprehensive meeting with the participation of Fatih Municipality cleaning staff, principles of primary schools in the neighborhoods, community volunteers and representatives of NGO's in 9 December 2009. During the meetings, it was decided that the most effective and economical method for the collection of solid waste was the distribution of boxes to every household in the district. On the other hand, the programme mentioned that solid waste management, that focuses recyclable and reusable wastes, require regular community involvement. Therefore, TAT organized different training campaigns for three different groups; children, women and men. As the first step, seminars were performed in primary schools. A total of 1250 students from Tarık Us, Edirnekapı, Muallim Naci and Kırımlı Aslanbey Primary schools attended seminar. Thus, the main principal of the waste management strategy was to provide the active participation of inhabitants (Figure 5.56-5.57)



Figure 5.56-5.57: Waste management strategy and community participation- distribution of boxes and speech of mayor related to waste management in the district- (resource: www.fenerbalat.org)

On the other hand, Fener and Balat regeneration project has no definite proposal address to existing low income inhabitants related to open spaces. Although the project proposes parks, sports areas, swimming pools and recreation areas the target group of new facilities is in doubt(Figure 5.58).



Figure 5.58: The proposals of the regeneration project for open spaces.

Furthermore, the programme has no declared strategy to provide community participation during the development of the strategies. That is to say, the programme excludes existing inhabitants during the restructuring process of open spaces.

5.2.3.3. Utilities and Services

This study searches the developments in transportation, telecommunication and infrastructural system under the title of utilities and services. This part presents the interaction between the utilities/ services and social-economic-ownership strategies.

One of the main aims of RFBDP was to upgrade transportation and infrastructural systems of neighborhoods. RFBDP directly aimed to rehabilitate the living conditions of existing residents. First, Fatih Municipality has upgraded the infrastructure of Balat Market and renovated the of lightening system. The property owners of the shops made no payment for the rehabilitation. Beside, natural gas system was connected to houses without a fee. While, connection of natural gas system is paid in Turkey, the programme compensated the expenditures due to poverty of inhabitants (Figure 5.59) However, there has been no implementation related to transportation system. The neighborhoods are still disconnected from sea transportation. In this sense, there is no public transportation. The reports of the

programme have not involved any mentioned goal or strategy to improve the telecommunication system.

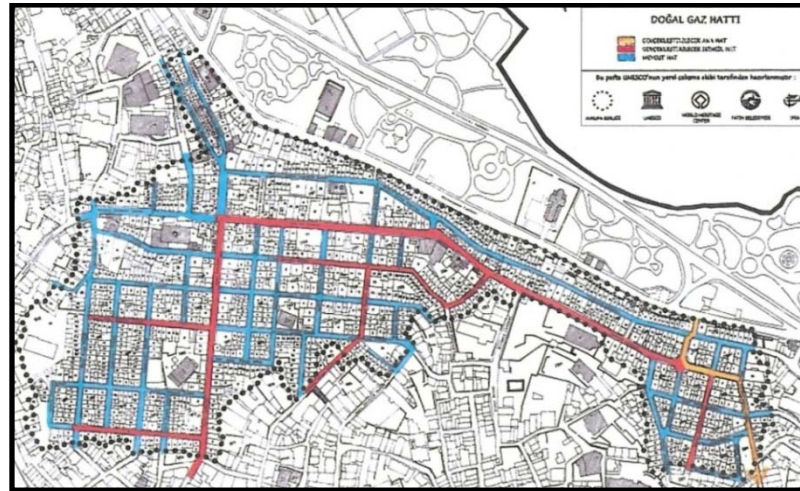


Figure 5.59: Natural Gas Plan of RFBDP (Fatih Municipality, et al, 1998)

On the other hand, Fener and Balat regeneration project aims at developing access to the district through the organization of sea transportation. The regeneration project also involves the upgrading of infrastructure and network system of the neighborhoods

5.4. What has changed in Fener-Balat after the implementation of RFBDP

In this part, I examine the gentrification process of RFBDP and socio-spatial impacts of the process (positive/negative) on the neighborhood. I do that by exploring the changes in inhabitants' lives after the implementation of RFBDP with respect to physical, socio-economic and ownership components. Hereby, I present the in-depth post-RFBDP experiences of interviewed inhabitants. They presented both their own stories as well as reflected on the lives of their friends and/or acquaintances. Furthermore, I use analyze reports interviews to present the physical, social, economic and ownership changes in Fener-Balat after the implementation of RFBDP. The synthesis of interviews and written documents will be presented under four categories: spatial, social, economic, and ownership

5.4.1. Spatial transformation in the neighborhoods after the implementations of RFBDP.

My research shows that the spatial transformation after the implementation of RFBDP has created both positive and negative impacts on inhabitants' lives. The restoration of 121 buildings (84 houses, 4 social buildings, 33 shops) has satisfied inhabitants. Nevertheless, the discontinuity of this effort has created discontent in general. The project could not adequately respond to the problem of the lack of open spaces in the neighborhood, inhabitants find that there is noticeable upgrading in open spaces. On the other hand, although there is a certain degree of upgrading of utilities and services, they still remain inadequate. For example, one consequence of this is the lack of night lighting in the neighborhood, which creates the feeling of 'unsafe' and 'fear' at night. On the other hand, inhabitants reported that the neighborhood has become much cleaner after the implementation of RFBDP. Other studies (e.g., Enlil and Bilen, 2009), which have been conducted with the inhabitants of 200 buildings to explore their evaluation after the implementation of RFBD, also confirm these findings.

Figure 5.60 shows that more than half of the respondents feel 'content' about the physical upgrading and restoration activities in the neighborhood. This is supported with even a higher percentage (95%) by Enlil and Bilen's (2009) study, shown in Figure 61. The following statements further demonstrate this finding:

"I am satisfied from the restoration of my house. There are some lacks but, I am content. Firstly, I did not want to participate but they persuaded me. Fortunately, they have" (A former resident, interview with the inhabitants in 2009)

"UNESCO rehabilitated the houses perfectly. I am very content of the rehabilitation. Further, I did not move during the restoration and the workers did not disturb us. Technical team was often controlling them. They were listening my complaints and solving the problems. Finally, the value of my house doubled" (A former resident, interview with the inhabitants in 2010)

"I live in this neighborhood since 1985. Basic repairs were implemented on the exterior elevation of my house. However, I am not content. I prefer them to give me the money. I am a builder too. I could do the better" (A former resident, interview with the inhabitants in 2009)

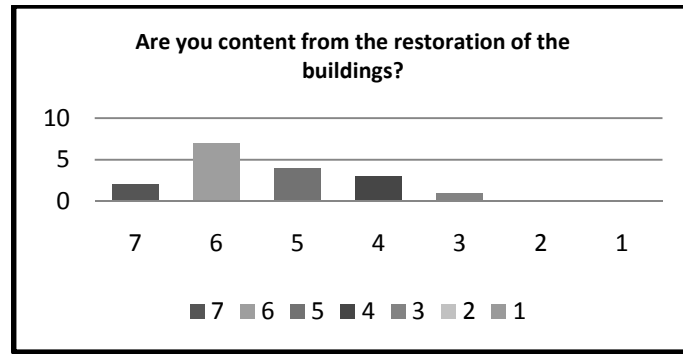


Figure 5.60: The level of contentment (7: very content) (Site surveys for thesis study in 2009-2010)

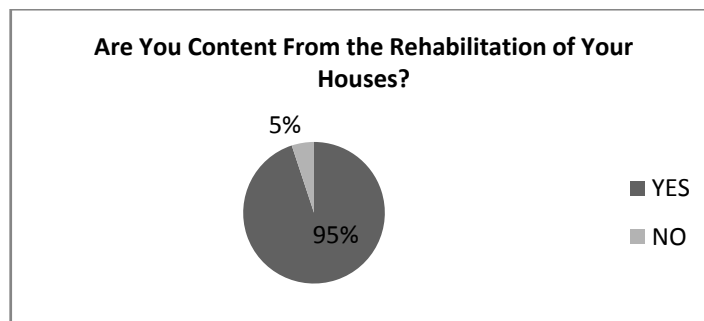


Figure 5.61: The contentment of the participants from the rehabilitation (res: Enlil and Bilen, 2009)

Enlil and Bilen (2009) argue a significant pervasiveness difference (t test value:0-0.054) between inhabitants whose houses are rehabilitated and the ones who complain about the outflow from the roofs, windows and doors, electric installation, inadequate isolation, neglect of elevations, heating constraints and insect problems.

On the other hand, as documented in Figure 5.62, with respect to the restoration activity, the programme remains unsuccessful in its lack of continuity in physical upgrading. Since buildings have been restored individually, the project has not been able to adopt an integrated model. Hence, the physical rehabilitation could not achieve a visual impact. This is the most mentioned failure by the inhabitants interviewed as part of this study. Furthermore, the following statements confirm inhabitants' assessments:

"I am content from the restoration works, but I want all the houses to be rehabilitated. The upgrading of the single houses is not visible. While walking, you see a nice building and a ruin beside. I want the rehabilitation project to continue" (Former resident, interview with the inhabitants in 2010)

I think the project is not very successful. It is only for show. The restored buildings are nice but a single building does not change anything. They should rehabilitate all the buildings or at least all the buildings in the main axis (A volunteer working for children, Interview with the inhabitants in 2010).



Figure 5.62: Restoration of the houses within the scope of RFBDP- lack of continuity (Personal archive, 2009)

Another significant problem of the area is the lack of the green space. The 1998 Report documents that the programme suggests the use of the green area, including playgrounds, parks and open air sports facilities along the Golden Horn shore. However, the project could not realize this. No facilities could be implemented. Nevertheless, most of the (80%) respondents perceived a significant upgrading in the green parts of the neighborhood and stated that they began to use it after RFBDP. On the other hand, they still complain concerned to the open spaces.

The following statements support this:

"There is no upgrading in the open spaces of the neighborhoods. However, the seashore is rehabilitated. Formerly, we could not go to the seashore as a family. There were addicts and the environment was much polluted. At present we can go to the seashore for a walk. Everyone can walk about...There is no adequate open space. Children are playing in the unsecured streets. Cars and electric cables are very dangerous for them. They need playgrounds.".(Former shopkeeper, Interview with the inhabitants in 2010)

"The sea shore became beautiful and safer. We are content from the rehabilitation. The municipality collects garbage regularly. Fatih Municipality attaches importance to the

cleanliness of the park. However there is no park inland. Children play in the streets"
(Former resident, Interview with the inhabitants in 2010)

"The seashore is very nice. The environment is clean and safe. I was not here those days but there had been drifting. But now there have been families or children. We have classes on the seashore when the weather is nice. But of course, it is not enough. We need sports areas and parks"(A volunteer nurse working for children, interview with the inhabitants in 2010)

Enlil and Bilen's (2009) research report also mentions that residents mention the lack of open spaces. As almost half of respondents (39%) state that there is no playground for children and more than half (56%) argue that they are discontent about the improvement of green spaces in the neighborhood.

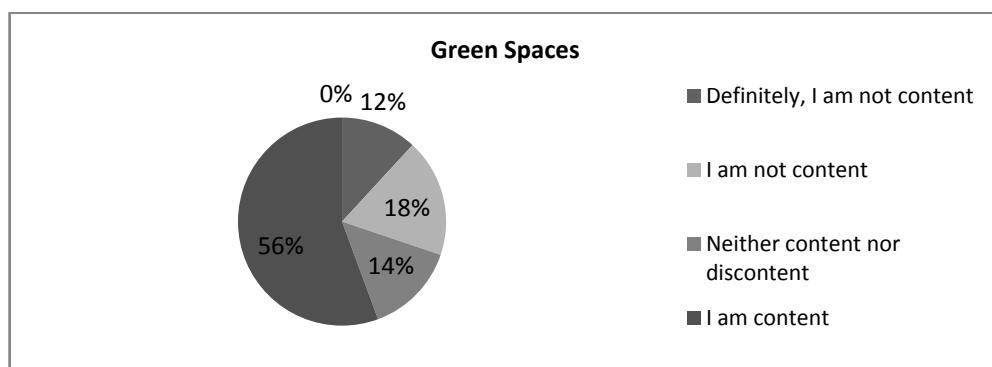
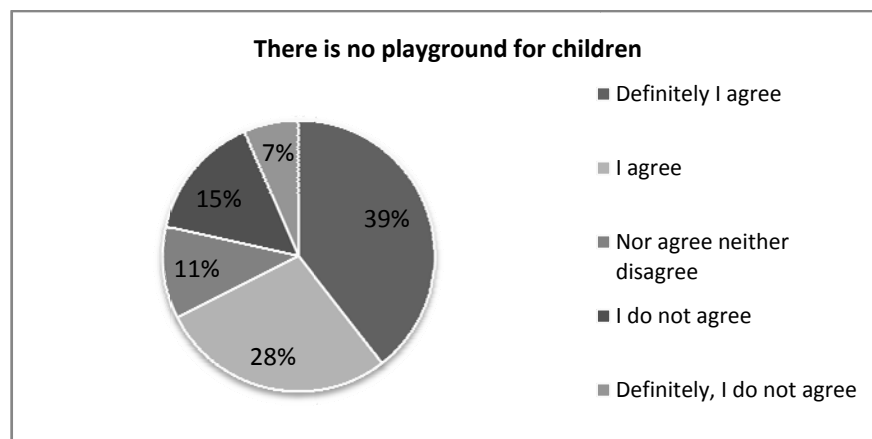


Figure 5.63-64: The contentment of the inhabitants from the open spaces.(res:Enlil and Bilen, 2009)

On the other hand, my site observation shows that the neighborhoods are still in very poor in terms of the availability of open spaces. There is no playground, park nor green space.

As for the environmental cleanup, respondents see a significant change in the neighborhood. It has become cleaner and garbage are more regularly collected. The following statements support this finding:

"Our neighborhoods became cleaner. This is undeniable. The municipality collects garbages regularly. They conducted an organization a few years ago. I don't know exactly. They distributed plastics...Anyway, municipality works well about collecting the garbages. I am content."(Former resident , Interviews with the inhabitants in 2009)

"The environment rehabilitated. The streets are cleaner. Thats why the film producers began to invade...I did not hear about the waste management campany. I did not participate a meeting related to this. But, the municipality collects the garbages very regulary "(Former shopkeeper and resident (living for 35 years), interviews with the inhabitants in 2010)

Both my site observation and Enlil and Bilen's report (2009) confirm this. During the site observation, I also observed that the neighborhoods have overcome the environmental pollution problems compared to how it was in 2004. Moreover, Figure 5.65 shows the results of Enlil and Bilen's study. Respectively, more than half of inhabitants (59%) state that they are content from the collection of garbage.

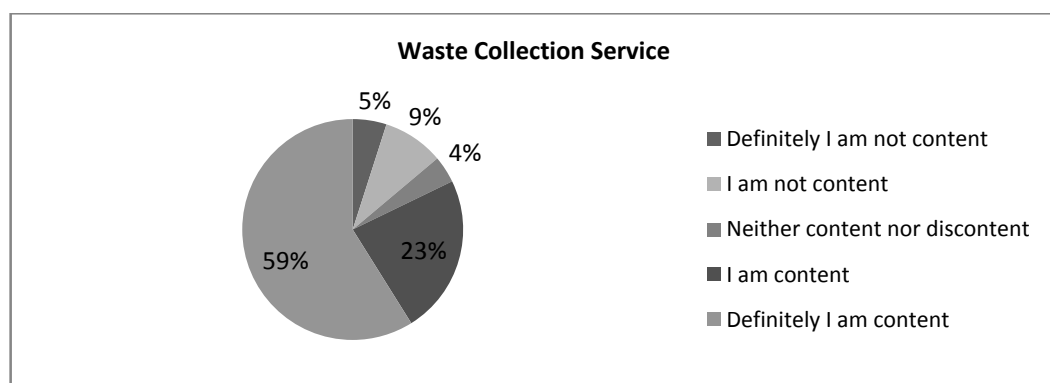


Figure 5.65: The contentment of the inhabitants from the waste management.(Res:Enlil and Bilen, 2009)

As for the utilities and services, the area has still constraints about the infrastructure system. Although, Fatih Municipality upgraded the infrastructure in the neighborhoods as part of the RFBDP intervention, inhabitants still indicate that it is inadequate. Particularly, open electric cables is the kvetched defect related to the infrastructure. Some statements which reflect that are as follows:

"There are too much sewage and infrastructure problems in the neighborhoods. Night lights are deflated. Voltages are low. It is also a problem for safety. You cannot walk down the street in the night. Electric cables are on the streets in Zülfikar Street. Children play in the street, I am afraid of it." (Former resident and shopkeeper (living for 35 years), interviews with the inhabitants in 2010)

"There is an upgrading in the infrastructure system. Formerly, it was overflowing. However, we have still complains about the sewages. Also, electric and telephone cables are not under the ground. The authorities wait for the regeneration project. But it is not safe, children are playing in the streets" (Former resident, Interviews with the inhabitants in 2009)

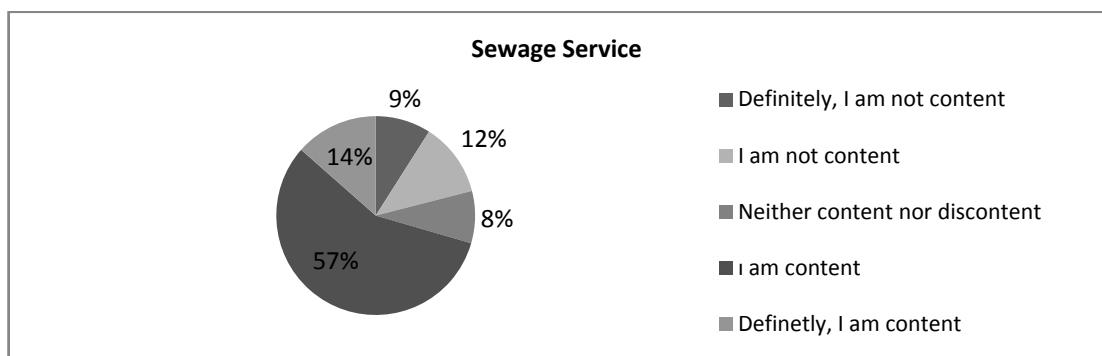


Figure 5.66: The contentment of the inhabitants from the sewage service.(res:Enlil and Bilen, 2009)

On the other hand, Enlil and Bilen's study shows that inhabitants are content about the sewage service brought after the implementation of RFBDP.

Finally, safety is still a constraint for the neighborhoods. During the site surveys, I observed that there is no problem in the daytime. The streets are crowded and safe. Also, there is no security problem on the seashore. Nevertheless, the neighborhood may be insecure in the nights due to the weak night lighting. The inhabitants also indicated that they have the feelings of insecurity and fear in the neighborhoods, particularly at night:

"There is a great security problem in the neighborhood. There is no mobese camers and lighting of the street is inadequate. There is also no light in the junction. The lightening of the streets is very poor. The neighborhood is not safe in the dark" (Former resident and shopkeeper, interviews with the inhabitants in 2009).

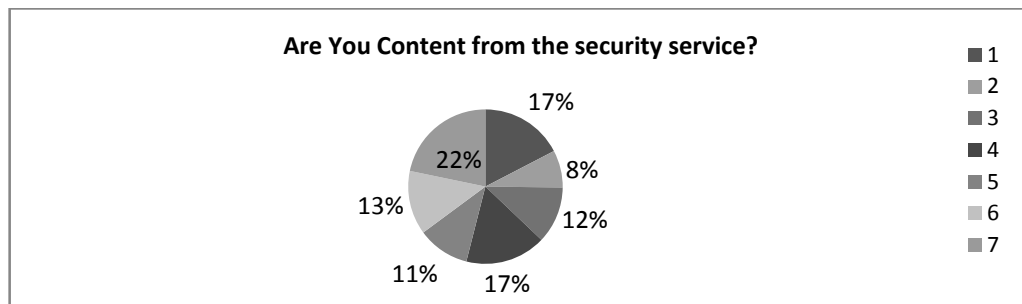


Figure 5.67: The contentment of the inhabitants from the security services -7: very content, 1: not content- .(res:Enlil and Bilen, 2009)

Inhabitants' responses almost equally ranges between 'being content' and 'not being content' according to Enlil and Bilen's study (Figure 5.67).

In summary the major study findings concerned to the **impacts of RFBDP on the spatial structure** include:

- The inhabitants are content from the restoration works of RFBDP. However the visual effect cannot be created due to the lack of continuity.
- There is no implementation related to the open spaces in the scope of RFBDP. Nevertheless, the inhabitants use the seashore more than before due to clean environment and increasing safety.
- The neighborhoods still lack of playgrounds and sports facilities for the children.
- Environmental pollution has been prevented to a large extent through the successful sustainability of RFBDP's waste management strategies.
- Although there has been an upgrading related to infrastructure, there are still constraints particularly concerned to the electric cables.

5.4.2. Social transformation in the neighborhoods after the implementations of RFBDP.

In this part, I examine the social transformation of Fener and Balat neighborhoods after the implementation of RFBDP t by responding two questions: 1) How much the realization of social strategies could be integrated in the community life and be sustained; 2) How the social composition has been changed and how this has affected the former community

5.4.2.1. Sustainability of social strategies

RFBDP had two main social strategies. The first is the rehabilitation of inhabitants' socio-economic conditions through the foundation of a social center that would provide public services including health clinics and occupational trainings. The second is the achievement of public awareness and participation.

First, this study shows that health services have improved in general after the implementation of RFBDP. Moreover, the education services have not changed but informal training courses and/or workshops significantly assist neighborhoods' children. The social center accommodates programs for both women and children, but the community cannot effectively benefit from them.

The most mentioned problem in the neighborhood meetings was inadequacy of basic health service institutions in 2004 (Foundation of Women Support, 2004). More than three fourth of respondents (88%) mentioned that they could not easily access health services due to the high cost of treatment or medicine, long queues in hospitals and the lack of a nearby health institution. In-depth interviews to assess the post-RFBDP emergences between 2009 and 2010 demonstrate that inhabitants have been content about health services for five years. Enlil and Bilen's (2009) study also supports this. They indicate that more than half of respondents (57%) are content about health services while one fourth (26%) is not (Figure: 5.69).Some statements from in-depth interviews indicating this are as follows:

"Health services are good. There are three health clinics. Before, we were waiting for hours for a medical exam. At present, it became easier, we are not waiting. I am content from the health services" (Former resident and shopkeeper, interview with the inhabitants in 2010)

"I am content from the health services. There are three health clinics and we are not waiting. Before, we were going to Haseki Hospital and waiting for many hours even days."(Former resident and shopkeeper, interview with the inhabitants in 2010).

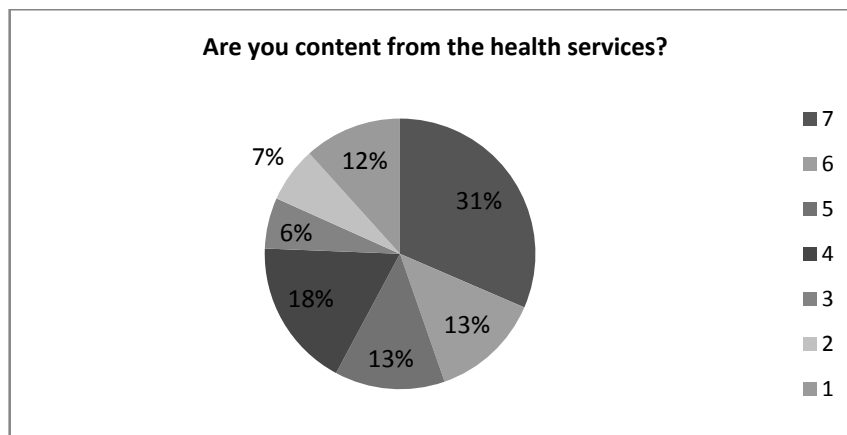


Figure 5.68: The contentment of the inhabitants from the health services-7:very content, 1: not content- (res:Enlil and Bilen, 2009)

As for the education services, the report of Foundation for the Support of Women's Work (2004) records show that 60-65% of neighborhood parents were not content. They stated that their children could not effectively benefit from education services. This study demonstrates that although education services have not improved in public schools, volunteers in associations started to assist children in school. This is perceived as a positive improvement by inhabitants. The following statements support this:

"I don't think that the education services changed. But there are volunteers and associations to help the students. I know several students attending the courses"(Former resident and shopkeeper, interview with the inhabitants in 2010)

"Educational volunteers study with the children. We also organize several social activities for the children. Furthermore, there is a new association established by the business women. I think they will support the children too. But there is no activity yet." (A volunteer nurse working in Mavi Kalem Association, interview with the inhabitants in 2010)

Enlil and Belin's study also support this. As shown in Figure 5.69, half of respondents (52,7%) are satisfied of education services in the neighborhoods. Hence, there is an improvement in education services after RFBDP.

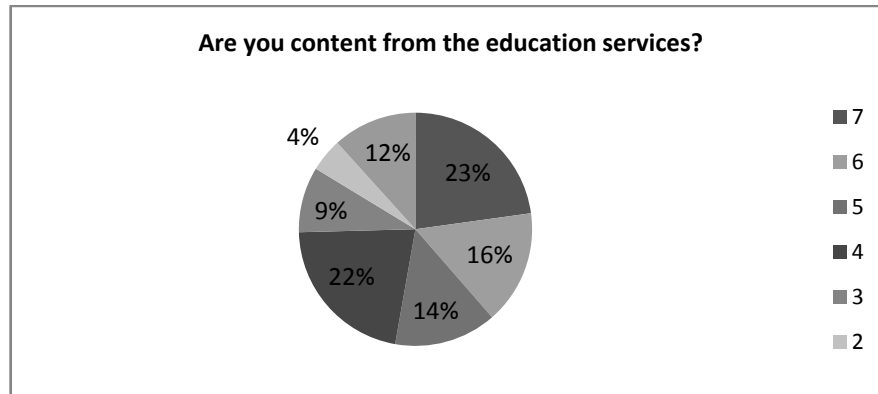


Figure5.69: The contentment of the inhabitants from the education services-7:very content, 1: not content- .(res:Enlil and Bilen, 2009)

One of the most significant component of the RFBDP was the establishment of the Social Center. Earlier part of this chapter extensively presents this project. To summarize the purpose of its establishment and the activities it carries out, it is valuable to repeat that the centre is primarily designed to serve the needs of women and children of the Fener and Balat neighborhoods. Human Resources Development Foundation (İnsan Kaynaklarını Geliştirme Vakfı, HRDF) has managed the center during the project implementation. HRDF conducts various activities including seminars, occupational trainings and cultural trips. As stated in RFBDP, Fatih Municipality would manage the social center one year after its establishment. Respectively, in 2007, Fatih Municipality, Hearth and Home Foundation (Sıcak Yuva Vakfı) and Fener Balat Association (Fener Balat Derneği) have begun to organize the activities of the center. The project coordinator of Fatih Municipality indicates the activities of the center until the present as follows:

"The Social Center locates in Çilingir Street (known as 7-8-9 parcels) still perform activities. Fatih Municipality signed an agreement with an NGO. 250 students are registered to Social Center. The etudes mainly involve the mathematics and English courses. Beside, social center arranges cultural activities and trips. Furthermore, the seminars related to child care, healthy diet, hygiene and intra-family communication are given to parents (nearly 50 parents are registered)" (Interview with the project coordinator of Fatih Municipality in 2009).

The project coordinator also argues that the social center still performs activities in line with the principles of RFBDP. However, my site observation also caught some restrictions in the

equal use of the center by the community. As shown in Figure 5.70 a poster on the building indicates that only successful students can benefit from the courses without a payment.



Figure 5.70: Social Center of Fener and Balat Neighborhoods(From the archive of a local journalist)

Moreover, the in-depth interviews also show that most inhabitants are not properly informed about the activities of the center. There are even former shopkeepers who do not know the location of the center. The inhabitants know the temporary building in which several activities were performed during the implementation of RFBDP. The statements below reflect this:

"I don't know the social center. I did not hear any activity. I don't know anyone who goes to the social center. I know the old one in Fener. It was a productive center. I am so sorry that it is closed. The municipality could not proceed. I know that several women attended courses in the old social center(Former resident, interview with the inhabitants in 2009)

"I know a social center. But I don't know its place and activities. I think, children are attending to courses in the center. I know the old social center. Women were attending the seminars."(Former shopkeeper and resident, Interview with the inhabitants in 2009)

Another building that was allocated for social center was the house of Dimitri Kantemir. The restoration of Dimitri Kantemir house completed and it is opened in 25th June 2007 to function as Social Center (Figure 5.71) According to agreement between Fatih Municipality and the Government of Romania; the upper floor was allocated to Kantemir's Museum while the ground floor and the garden could be used by the Fener Balat Social Centre. This study

shows that no activity has been carried out so far conducted in Kantemir's House related to social center. Its door is locked (Figure 5.72)



Figure 5.71: Opening of Dimitri Kantemir House (source:www.fenerbalat.org)



Figure 5.72: The garden of Dimitri Kantemir House-no activities have been performed
(Resource: Personal archive, 2009)

In addition to social service strategies, the second most powerful strategy that the programme has adopted has been raising the public awareness and ensuring community participation. To enhance this, the programme conducted several meetings to arise awareness across inhabitants related to their environment and the historic heritage. Furthermore, the programme intended to provide community participation in every phase of the project.

This study reveals that the RFBDP strategies on community participation influenced the awareness of inhabitants. The great opposition of former residents to FBNRP ensures that former residents have become more conscious about their rights and the significance of protecting their environment. Besides, authorities of the programme strived to raise awareness of residents about the value of their neighborhoods, historic heritage and restoration. All these strategies provoked the public awareness and impacted the process of

FBRP. When that project was declared, the local coordinator of RFBDP criticized the project as follows:

"...Important architects work on this project; however I am not sure that they could internalize the area. We have gained experience on these neighborhoods since 2003. They could request information related to surveys. Neither municipality nor Contractor Company and architects requested information. Furthermore, inhabitants of the neighborhoods have no information related to the future of their own property. Moreover, there is no proposal, vision or feasibility study related to social structure...Although many people do not care, here (Fener-Balat) is a living district with its inhabitants. There are residents who have been living in these neighborhoods for 50-60 years and they do not want to leave..."(Local coordinator of RFBDP, 2007)

Also the local coordinator of the restoration unit indicated that FBNRP has excluded the existing inhabitants and plans have not been designed according to needs and expectancies of existing residents' lifestyles:

"...Fener Balat regeneration project do not seek to provide public participation. Residents do not have information about their properties. Authorities have not conducted any social survey. ..All the inhabitants will be displaced, trade structure will change. Historic authenticity will be destroyed both in building and neighborhood scale" (Interview with the local coordinator of restoration component for thesis study in 2009)

These declarations have had a broad repercussion. Chambers and professionals began to raise voice against FBNRP. Especially, Emre Arolat's criticism, a nationally well-known architect, towards the project has attracted a great attention. His statements can be read in the following lines:

"...I asked the model of urban transformation in the first meeting. They said that it is "to rise in value" model. I could not penetrate the model. Answerable of the holding company explained the model as; ' For example, an inhabitant live in a house of 100 m2 , we will get the half of it. The building will be demolished and property owner will have an area of 50 m2. However, the value of the house will rise from 100 TL to 200 TL. In this way, we will gain the area.'. They are talking about thousands of people...I thought that someone (an architect in the meeting) should concern this social contradiction. However, the story became more meaningless... I am reproaching the architects who do not question the project. You can't say to thousands of people , ' go to Halkali, live there' through a Holding

company. The inhabitants do not know anything about the future of their houses" (From the conversation of architect in the event of Association of Architects in Ankara, 2008)

These discussions also raised the awareness of residents. One of the leading inhabitants has expressed that they trusted RPFBD but they did not FBMRP. In a way, he described the approach of FBMRP with his speech.

"...They came to my house in order to survey the building. They said that they came from UNESCO. I trust UNESCO so I allowed them. Even, I requested my neighbors to give permission. However, we learnt that they were not from UNESCO. I asked the local coordinator of RPFBD...Although, Fener Balat regeneration project comprises my house, I do not know anything related to future of my house." (Interview with the inhabitants for thesis study in 2009)

In the face of all these happenings, the residents founded The Association for the Rights of Owners and Tenants in Fener-Balat-Ayvansaray (FEBAYDER) in July 2009. The main aim of the association is to protect the rights of both neighborhood property owners and tenants and -acted as a grassroots organization- to inform inhabitants about the project and to object gentrification

The General Secretary of FEBAYDER expressed the aim and activities of the association as follows:

"I have been living in this neighborhood more than 50 years. I like my house and I have a private living area with my family. I have relatives and friends here. I don't want to leave my neighborhood. Hence, we established this association to object the regeneration project of Fatih Municipality. This association targets to prevent displacement of former residents which happened in Sulukule. We do not want our houses to demolish. We want the funds of Cultural Ministry which is allocated for the historic areas. We can pay it back in an orderly manner. Here, the people have mostly low-paid jobs. None can afford the great payments for the construction costs. Instead we want subsidies and payment plans according to our budgets... We are organizing meetings to raise awareness in the neighborhoods. We also follow all the phases of the project. Delegates go to Fatih Municipality frequently in order to get the latest news. We are creating a public opinion. We organized protests (Don't Touch My House) and several media organs published the protests. Furthermore, we informed many parliamentarians and they visited us. Besides, we have international contacts. We called the authorities of UNESCO and presented the project. They also object to the FBMRP.

I believe that Fatih Municipality will retreat because of the great public opinion" (General Secretary of FEBAYDER, interview with the inhabitants in 2010)

Another representative of the association added:

"We established the association to able to organize. Formerly, Fatih Municipality was negotiating with the inhabitants one by one. At present,, we are organizing concerted actions. I think if the inhabitants of Sulukule and Tarlabası could move together, the regeneration projects could not have been implemented. We are attempting to raise awareness" (Academician and the representative of FEBAYDER, interview with the inhabitants in 2010)

The association has increasingly become effective in time. It organized various events to realize its aim through which it attracted attention both locally and nationwide. It organized protest demonstrations against FBNRP and informative meetings for inhabitants; took part in national and foreign TV programs and newspapers (Figure:5.73-74); hosted several universities that organized workshops and some Turkish and European parliamentarians who visited them to show their support.



Fig 5.73: The interview of German Radio with Febayder.



Fig 5.74: Visit of European Union Parliamentarians (resource:www.febayder.com)



Fig 5.75-5.76: Protest demonstrations (source: 1-www.febayder.com, 2- personal archive,2010)

Another development in the regeneration project was the visit of UNESCO authorities to FEBAYDER. The authorities examined the project and expressed their discontent about technical and social planning approaches of FBNRP. Especially, the President of the ICOMOS International Wood Committee, one of the UNESCO visitors, pointed out the legal responsibility of the Turkish Government to international communities and the inappropriate statements of Law 5366 "Conservation by Renovation and Use by Revitalization of the Deteriorated Historical and Cultural Immovable Property" considering preserving World Heritage sites. This can be followed in his statement below:

"The legal position is that the Turkish government, as a signatory to the World Heritage Convention, has a legal responsibility on behalf of the international community to care for

the Historic Areas of Istanbul World Heritage Site, which it nominated to the UNESCO World Heritage List, on behalf of the whole of humankind. The World Heritage Convention is managed by the World Heritage Committee, which is elected from "State Parties" (signatories) to the Convention. The Secretariat of the Committee is the UNESCO World Heritage Centre. Impartial advice is offered on cultural sites by ICOMOS (International Council on Monuments and Sites)...Also in my personal view, the proposed Law 5366 project for Fener-Balat-Ayvansaray is completely inappropriate for a World Heritage Site and I expect that the World Heritage Committee may come to a similar conclusion, when they discuss Istanbul again at the end of July" (International Co-director of RFBDDP and UNESCO International Technical Adviser, interview for the thesis study in 2010)

This visit led to giving a significant warning to authorities. UNESCO produced the mission report, issued in 2008 and assessed the preservation and development state of Istanbul's historic areas. The report conveyed serious messages about the inadequate and inappropriate intervention of authorities into the historic sites and their existing communities. The mission report also criticized Law 5366 "Conservation by Renovation and Use by Revitalization of the Deteriorated Historical and Cultural Immovable Property" particularly with respect to its involving paradoxical social as well as physical approaches: the Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal. More specifically, the report states:

...the view of the mission, large-scale construction and development projects continue to be planned in isolation, without prior impact assessments or adequate consultation with stakeholders. The mission is particularly concerned with the implementation in practice of regeneration proposals prepared within the framework of Law 5366 for —the Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal//, which removes areas designated by the Council of Ministers outside the conventional planning system. Most areas so designated lie within the Historic Peninsula and proposals appear to prioritize land development over conservation. The recommendation of the 2006 mission that they should be comprehensively revised to constitute Conservation Development Plans for the World Heritage core areas does not appear to have been implemented. In contrast to these projects, the successful implementation of the EU-funded Rehabilitation of Fener and Balat Districts Programme, on the point of completion (UNESCO İstanbul Mission Report, 2008)

It also highlights the success of RPFBD in developing social strategies and underlines that UNESCO has provided financial support for RFBDDP in order to create a leading model for local authorities. The mission has pointed out that RPFBD can serve as an exemplar for

urban renewal projects, particularly with regard to its participatory methodology rather than a top-down approach.:

...Fatih Municipality should establish a Facilitation Unit to help individuals willing to restore their own houses, to build on the accumulated know-how which has been gained through successful implementation of the Rehabilitation of Fener and Balat Districts Programme. —The mission commends the successful implementation of the Rehabilitation of Fener and Balat Districts Programme (with funding from the EU, secured with the support of UNESCO), and recommends that the authorities should utilize it as an exemplar to implement further community based regeneration projects in deprived historic districts.. — (Recommendation from 2006mission report)... The mission specifically recommends that the accumulated know-how which has been gained through implementation of the project should not be lost and urges the municipality to establish a Facilitation Unit to help individuals willing to restore their own houses (UNESCO İstanbul mission report, 2008)

Against UNESCO's heavy criticism on the later phases of transformation in the Fener-Balat neighborhoods, the local authorities have also developed counter arguments about their intention to preserve the sites both physically and socially. The, local authorities of the project began to represent the projects after the emergence of great opposition. The authorities claimed that the fundamental of the project is to make a deal with inhabitants. Furthermore, the project manager of Fatih Municipality expressed that municipality intends to develop several social development strategies:

"We are organizing meetings in order to get the expectations and requirements of property owners. The project will succeed the social development strategies in cooperation with other public institutions, NGOs, foundations, and Universities... Property owners that own the determinate criteria can benefit from the employment guaranteed certificate programs. The programs will be declared in implementation phase ..." (Project manager of Faith Municipality, interview for the thesis study in 2009)

On the whole, the finding of the study related to sustainability of social strategies;

- There is a considerable increase in the satisfaction of the health services after RFBDP. Fatih Municipality has provided easier access to the health services through the establishment of new clinics.
- There is an increase in the satisfaction of education services in some extents after RFBDP. Particularly, volunteer works of the associations can reach the students.

- Fatih Municipality cannot drive the management of social center adequately.
- Inhabitants cannot benefit from the social center due to the lack of knowledge.
- Fatih Municipality could not develop new strategies to sustain the social development.
- RFBDP raised public awareness and impacted FBNRP project in this way.

5.4.2.2 Changes in the social structure

This study assessed the change in the social structure of the neighborhood after RFBDP by exploring former residents' perception of new comers and the contribution of new comers to the neighborhoods. The findings show that new comers, 100% of the existing neighborhood population, have made a positive impact on the neighborhood life. Former residents express their contentment about the new comers. Moreover, after their settlement to the neighborhood, painting lessons started in the neighborhood, a gift shop has been opened, and the educational level of the community has raised.

First, the study reveals that most former residents 100% express that they have built good relations with the new comers and that they prefer higher income and well-educated people to move into the neighborhood. One interviewed former resident expresses this as follows:

"I like the new comers. We have good relationships...Cultivated people (new comers) began to move 8-10 years ago. For example, there is an art gallery that was opened more than 6 years ago. However, the number of well-educated people began to increase in last two years. Maybe, it is because of the television series. Several films an series are produced here. I know most of them. I want more educated people to move here. My first expectation from a new project is the moving of more cultivated people. Additionally, I want lowbrow people to move out. Here is a historic neighborhoods, the number of noble people should increase."(A former resident, interviews with the inhabitants in 2010)

"We thought that slum dwellers will move out and worthy people will move in. There are some new comers, but it is not enough. The authorities indicated that they will pedestrianize several roads and place security. In this way, the neighborhoods would be like Ortaköy and wealthier as well as well-educated people would move in. However, they did not implement any project (A former resident, interviews with the inhabitants in 2010)

The interviewed residents also mentioned that they want well-educated people to move into the neighborhood because both their children and themselves benefit from these new well-educated groups through the services and activities they organize and offer, such as cultural, reading:

"I have clients from the new comers including academicians and artists. They are very friendly people. There are artists moved in the recent years. We are hearing that famous actors have bought houses from here. That's because they heard the news about the new project... I want more well-educated people to move here. This leads to the economic regeneration... they organize several workshops and sometimes invite us too. I did not participate but there are attendant neighbors. I like such cultural activities. The neighborhoods may look like Ortaköy or Etiler (Former shopkeeper, interview with the inhabitants in 2010)

"I think UNESCO project was very successful. Because it led to the inclusion of higher income, well-educated people. Painters, professors, doctors and lawyers moved into the district. There were before the well-educated people. But, the number increased in two years. They concern about the environment and children. For example, there is a professor moved last year talks with the children. He gives books to them and chats about the books." (Former resident and shopkeeper, Interview with the inhabitants in 2010)

This study confirms that several artists, academicians and foreigners have moved into the district after the implementation of RFBDP. Also, all of the respondents mentioned that the number of new comers increased since 2007. The declaration of FBNRP may lead to this acceleration. One of them is a painter who has moved into the district in 2008. Upon his arrival at the neighborhood, he started offering painting lessons for the neighborhood community. He indicated the reasons to move in and his relations with the neighbors as follows:

"I have moved to the district 7 months ago (December,2008) from Asmalımescit. I preferred here for its authenticity and historic fabric. Actually, I escaped from Asmalımescit due to the noise. Nightlife of Asmalımescit impacted my creative production. Besides, the rents excessively increased...Hence, I preferred here. I want to contribute the rehabilitation of the social structure. I want to initiate cultural events and attract more artists to the neighborhood. For example, I plan to organize a street exhibition in 2010 in which I will present modern works. I want to leave an impression and open new horizon for the inhabitants. Furthermore, I am giving painting courses here. An architect living in the

district wants to participate to courses. Also another neighbor from former residents asked me to take private lesson. I have very good relationships with the neighbors. Everyone knows me. The locals are interested in my works...On the other hand, the property owner of the building is also a painter graduated from Bern Academia. He has purchased the house one year ago. However, he has hesitated to move here due to the conservative and introverted structure of the neighborhood...When I moved here, I felt suffocated too. In this respect, local government and other authorities should attempt to improve social life. The districts have rich cultural and historic heritage with an amazing sea view and this neglect image and nonsocial life of the neighborhoods should be rehabilitated" (A new comer-painter-, interview with the inhabitants in 2009)

Another new comer, a lawyer, who has opened a gift shop in the neighborhood. She explains her moving reasons and relationship with the inhabitants as:

"I moved here from Ortaköy in 2008. Because I want my daughter to grow up in this neighborhood. Early on, we were discussing about my moving decision. But now, she adapted here and recognized me. There are still good neighbor relations here... I know the term gentrification. We got it here. Many academicians worked in this area. I am a lawyer but an Anatolian person. I did not come here to displace low income or to create an Ortaköy here. I don't think that I am a gentrifier. I embrace this neighborhood as well as I am concerned to the constraints of the area. Hence, I support the oppositions of former residents related to FBMRP. I move according to the common decisions of the inhabitants about the new regeneration project. I also object to the demolition of the historic houses and creation of a speculative market" (A new comer-lawyer-, interview with the inhabitants in 2009)

The examination of the new comer respondents show that the participants may be defined as the pioneer gentrifiers. A significant finding related to these pioneer new comers that all the respondents have moved after the declaration FBMRP. The site surveys also support that there is a significant change in the education level of the neighborhoods between the years 2004-2009. Particularly, there is a considerable increase in the ratio of inhabitants graduated from university (Figure5.77-78)

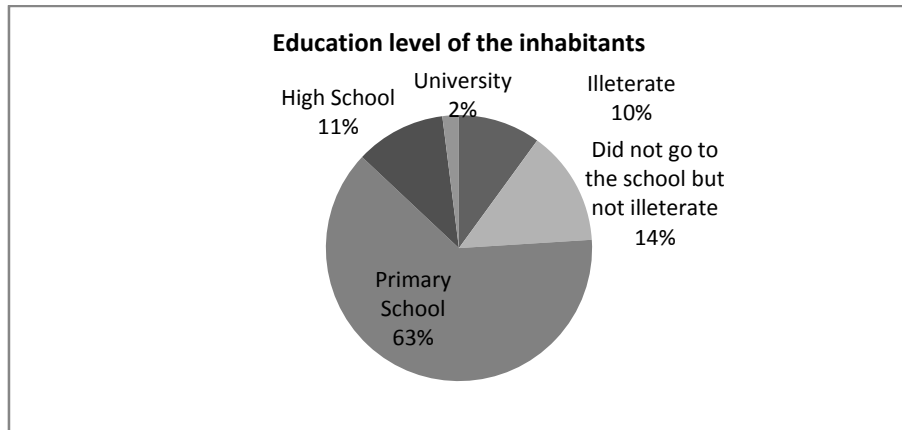


Figure 5.77: Education level of inhabitants in 2004 (Res: Foundation Of Women Support, 2004)

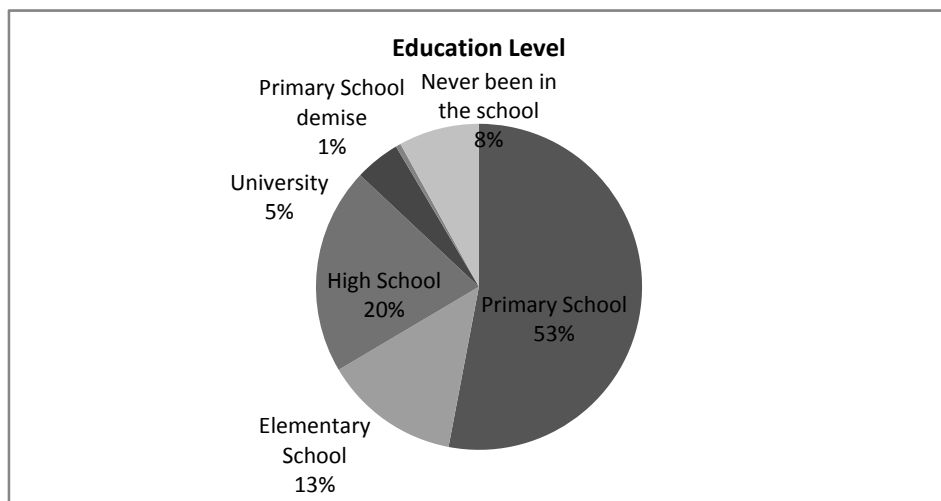


Figure 5.78: Education level of inhabitants in 2009 (Res:Enlil and Bilen, 2009)

All in all the finding of the surveys related to changes in social structure are:

- Former residents are content from the new comers. They have good relationships and they want higher income people to move into the district.
- The new comers are the pioneer gentrifiers compose of artists and intellectuals who seek low rents and historic ambiance.
- The inclusion of higher income groups have accelerated after the declaration of FBNRP.

- The new comers intend to be beneficial for existing residents. They tends to communicate with former residents
- The gentrification process of neighborhood succeeds rather slowly due to conservative structure.
- There is a positive interaction between the former and new inhabitants. A social-mix community may be formed through the development of appropriate strategies.
- The average education level and socio-economic level of the neighborhoods have increased.

5.4.3. Economic transformation of the neighborhoods after the implementations of RFBDP

In this part, I present the reflections of both new and former shop keepers' after RFBDP and their expectations to understand the neighborhood's economic transformation. I also looked at new shop keepers' reasons for moving into the neighborhood to examine the positive and negative impacts of the programme on the economic structure of the neighborhoods.

One of the most significant sign of gentrification is the increase in commercial units servicing high income groups. Certain types of upscale restaurants, cafes and stores emerge as a visible sign of gentrification (Zukin, 2009). The new luxurious commercial units and "improvement" in services may, in turn, cause the displacement of downscale commercials that service low income inhabitants.

Respectively, Fener and Balat neighborhoods have witnessed the emergence of new, upscale restaurants, cafes and hotels upon the declaration of RFBDP. Both in-depth interviews with new shop-keepers and the site survey show that a visible economic regeneration has not started in the neighborhood. The shopkeepers argue that the municipality has not fulfilled its responsibility to upgrade the physical environment and economic regeneration could not be achieved for this reason. On the other hand, monthly income of the residents has been considerably increased between the years 2004-2009. Hence, it may arise from the inclusion of wealthier groups after RFBDP.

The owner of a new upscale cafe that has been opened four years ago during the RFBDP expresses her expectations and views related to neighborhoods as follows:

"I opened this shop last year (2008). The commercial activities have not regenerated yet, but we are expecting. In fact, we hope rent, for this reason we are still here. İstanbul became the European Capital of Culture in 2010 and this district is a pilot area. Hence, I guess that the governments will conduct projects to rehabilitate social and economic structure .I expect new projects to attract noble people and tourists" (Shopkeeper of a new upscale café, interview with the inhabitants for thesis study in 2009)

Another new shopkeeper, a designer and an owner of a gift shop, mentions that he also works to benefit existing residents and hopes economic regeneration through the attraction of tourists. He highlights that he wants to raise awareness of the inhabitants about their environment and he supports them to improve their economic conditions:

"I have opened this shop three years ago (2006). I want to be a model for inhabitants with the environmental design of my shop. I distributed geraniums to my neighbors. I endeavor to upgrade economic conditions of inhabitants. I employ the workers from the district. I advise them to my friends. I also employ an inhabitant in my shop. Further, I persuaded my friends to open an art gallery here. They employ inhabitants too. Electrician from Balat works in the construction. I also want more educated people to move. They guide the inhabitants. People may hesitate to move because of the conservative structure. However, the people are very friendly and kind here. There is nothing to hesitate" (Shopkeeper of a new commercial unit, Interview with the inhabitants for thesis study in 2009)



Figure 5.79: One of the new upscale shops(Res:personal archive,2009)



Figure 5.80: One of a new upscale shop(Res:personal archive,2009)

Supporting the reflections of shop keepers, the report of FSWW in 2004 and Enlil and Bilen's report in 2009 show that there is a considerable increase in the average income of inhabitants. The complete poverty line of a four member family was 429 TL per month in Turkey, in 2004. With respect to this figure, 78% of Fener and Balat residents earned lower than poverty line in 2004. The complete poverty line of a four member family was 598 TL (T.R. Prime Ministry, Turkey Statistics Institution, 2010) in 2008. Hence, monthly income of 29% of families are lower than this value in 2008 (Figure5.81-82)

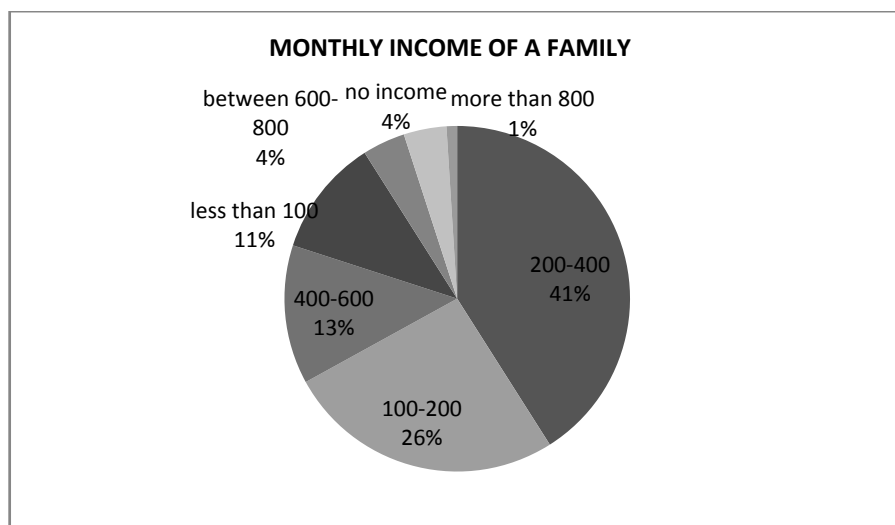


Figure 5.81: Monthly income of residents in 2004 (Foundation of Women Support, 2004)

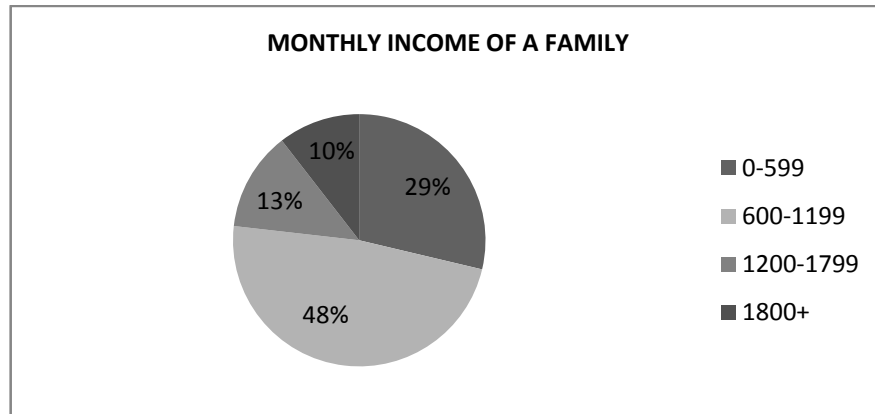


Figure5.82: Monthly income of residents in 2009 (Enlil and Bilen, 2009)

Also, former shop keepers mention that there is no regeneration in the economic activities after the implementations of RFBDDP due to the lack of efforts by the municipality.

"There is no regeneration, nothing. They would attract tourists here. But nothing happened. Tourists walk about and go. They do not spend time; buy nothing because of the neglect image of the neighborhoods. The municipality does not effort to upgrade the environment. Electric cables, ruins of the demolished houses, lack of car park, safety and upscale facilities prevent the economic regeneration." (A former shopkeeper, interviews with the inhabitants in 2009)

Another former shop owner who has lived in the district for 44 years expresses similar concerns. He states that the local authority does not support the commercial activities and the programme could not benefit the economic life of the neighborhoods:

"They told us that UNESCO will benefit the existing commercial. They would buy the construction materials from the neighborhood. However they did not buy even a cable from my shop and any shop from the neighborhood...The house of famous pianist collapsed a few months ago. The municipality has not removed the ruins yet (Figure 5.83) The neighborhood seems neglect. Therefore, tourists do not spend time here. There is no mobese cameras and light in the junction. Further, there are no signboards that show patriarchate or red school. Tourists are asking to us, they cannot find historic buildings. Hence, the benefits from touristic activities are limited." (A former shopkeeper, interviews with the inhabitants in 2009)

"The image of the neighborhood is upgraded. The number of tourists increased. Film-makers began to take an interest in the district. However, these developments do not benefit us. I did

not hear someone who benefits from the social center. I did not hear any activity. A GSM Company organized occupational training for the young of the neighborhood. But, they did not employ anyone" (A former resident and shopkeeper, interviews with the inhabitants in 2010)



Figure5.83: The ruins of the pianist's house has not been removed (Res:personal archive,2009)

All in all the finding of the surveys related to changes in economic structure are:

- There is no considerable regeneration in the economic activities of the neighborhood. The residents are discontent from the neglect vision of the neighborhoods. Both former and new shopkeepers expect rant and inclusion of higher income groups.
- Fatih Municipality has not developed strategies to attract the tourist as well as to upgrade the neglect vision of the neighborhoods.
- There is a considerable increase in the monthly income of the residents. While, there is no significant regeneration in the economic activities of the neighborhoods, this may arise from the inclusion of higher income groups into the neighborhoods.

5.4.4. Transformation of the ownership structure after the implementation of RFBDP

The changes in the ownership structure are highly related to the social and economic changes (new comers/former residents). In this part, I present the new ownership pattern through the reflections of tenants, property owners, and a real-estate agency on the changes after RFBDP and their expectations for the future.

The majority of respondents argue that there is no considerable change in the property values of the neighborhood.

However, in-depth analysis of the interviews shows that property owners and tenants have different perceptions concerned to the increase in values. In-depth interviews reveal no sharp increase in the property values, but a significant increase in rents. Owner of a former real estate agency expresses this in the following statement:

"There is no appreciable change in the property values for present. Also, the rents are still low. There are occupants who move from the house without paying rents. Three families rent a house and share the rents. We are tired of these people. We expect higher income, well-educated people to move into the district and occupants to move out." (Owner of a former real estate agency, interview with the inhabitants in 2009)

"There has been no increase, no speculation, no change in the property values after the UNESCO's project. It was like selling water to the ocean. A few houses have been restored and it did not transform the neighborhood. However, the project impacted the tenants. Several tenants moved due to the sharp increase (A former resident-property owner-, interview with the inhabitants in 2009)

However, a tenant mentioned that she had to move from her house due to the sharp increase after RFBDP. However, she points out that the tenants of the restored houses within the scope of RFBDP are very content from their houses and they did not move:

"I moved out my house due to the sharp increase after the project. My landlord thought that the value of his house became more and wanted me to move out. My rent increased from 140TL to 190 TL. I moved into another neighborhood but I still work in this district. Before, I was walking to the work but now I have to get a bus. It is a considerable expense for my budget. I would like to stay in Balat. I know several people who had to move because of the rents. My neighbor also moved because their rent increased from 450 TL to 550 TL...However, the tenants of the rehabilitated houses are very content. Their landlords have

signed an agreement with UNESCO. For this reason, their rent have not increased" (A former worker and inhabitant, interview with the inhabitants in 2009)

Also, the speech of a participant property owner supports that RFBDP had precautions against the displacement of tenants:

"I am the property owner and I was living in my house. But If I had a tenant, I had to sign an agreement with the municipality not to displace my tenant. Hence, the tenants did not move because of the project " (A former inhabitant - participant of RFBDP -, interview with the inhabitants in 2009)

During the site survey, I interviewed one of the last Jewish members of the neighborhood community, who is nearly 85 years old greengrocer who was born in the neighborhood. He has moved out his house due to sharp increase in the rents. Accordingly, he indicated significant issues which are important to perceive the impacts of displacement:

"I was born in this district. I am the oldest inhabitant of the neighborhood. I have been the tenant of a house for 45 years. However, I have to move because of the sharp increases. Even, I cannot work in the neighborhood any longer. I am very old and I cannot come to shop every day from another district. For this reason, I think I will close the greengrocer. I don't want to move, I don't want to leave my family's neighborhood but I have to." (A former resident, interview with the inhabitants in 2009)

Hence, the property owners' aspect and want an increase in the property values while the tenants of the neighborhoods are discontent from the sharp increases. Additionally, all the property owners of restored houses mention that they act carefully in the selection of tenants and do not rent their houses to crowded and low income families:

"I hope that there will be an increase after the regeneration project. I want higher income people to move into the district and lower income occupants to move out. I want upscale cafes and restaurants. I want respectable people like the inhabitants of Kadıköy. It leads the economic regeneration in the district."(A former resident, interview with the inhabitants in 2009)

"We wished a change in the social structure after the UNESCO's project. However, we disappointed about the project. We expected economic regeneration, new clients and tourists, but nothing happened. It became worse. At present, we set our hopes on the new project. I think that the new project will attract new people and investment" (A former shopkeeper, interview with the inhabitants in 2010)

"I do not think to sell my property now. My house has three floors and sea view. It has historic value. Several people propose to purchase my house, but I reject. The value of my house may double even triple after the regeneration project" (A former resident, interview with the inhabitants in 2010)

The surveys of Enlil and Bilen (2009) also reflect the aspects of the property owners concerned to the increase in the property values. There is a considerable gap between the median values of the houses and estimates of property owners. This may prove that a speculative market has been formed because of the RFBDP and Fener and Balat regeneration project. The responses of landlords present that the average value of their property is 200000 TL. However, the median value of the houses is 120000 TL (Enlil and Bilen, 2009)

A further significant data is, I observed that the most of the inhabitants do not want to move an ther district during the interviews. The respondents have strong relations with the neighborhoods:

"I do not want to move another district. I do not sell my house even if someone gives 400000 TL. I cannot find such a house in another district. My house has three floors and my family gets used to live in this house. Besides, I know and trust my neighbors. For example, I can commend my daughters to my close neighbors" (A former resident, interview with the inhabitants in 2010)

"I do not go far away. I may accept moving if they propose me a duplex or triplex house in a close neighborhood. But they must give me a larger house and it must be adjacent to Balat. Because, I work here. Of course, firstly I prefer to upgrade my house. I like my neighborhood very much" (A former resident and shopkeeper, interview with the inhabitants in 2010)

Also, the surveys of Enlil and Bilen (2009) support that the inhabitants have strong relationship with the neighborhoods and mostly do not want to move (Figure 5.84)

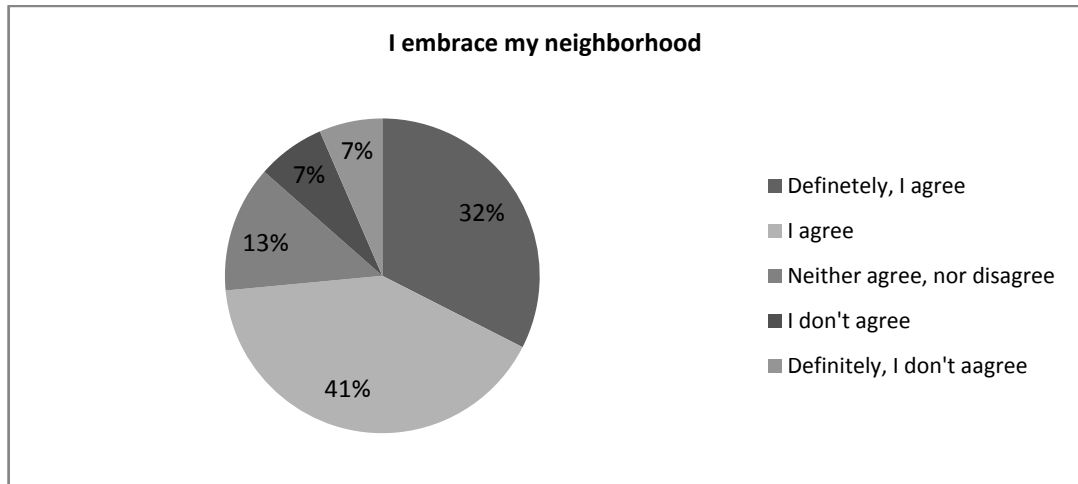


Figure 5.84: The embracement level of inhabitants (Res: Enlil and Bilen, 2009)

All in all, the finding of the surveys related to changes in ownership structure is:

- There is a rather sharp increase in the rents which has caused the displacement of several tenants.
- The precautions of RFBDP related to rent control have been successful in some extent.
- The neighborhoods may encounter the "exclusionary displacement" of the residents as the property owners have begun to select tenants according to new criteria.
- RFBDP has triggered the expectations related to rant. Property owners expect increase in property values as well as the inclusion of higher income groups.
- A speculative market has been formed after RFBDP.
- The inhabitants of the neighborhood mostly embrace their district and do not want to move.

5.5 Findings of the case study

This part presents the summary of the research findings. It particularly reflects on the gentrification process of the neighborhoods after the implementation of RFBDP. Furthermore, this chapter presents recommendations to be considered in future urban transformation processes.

5.5.1. The Distinctive of RFBDP in terms of benefitting former residents

My researches showed that although the impact level of RFBDP is limited, international actors have positive impacts on the planning approaches of transformation projects in terms of benefitting former residents and preventing displacement. The international institutions move according to the international declarations that form within the years with the participation of several expert views. Also, declarations concern human rights and support a comprehensive planning approach that respects the physical and social authenticity of the area. Table 5.9 summarizes the different strategies of RFBDP -with respect to FBMRP- which target to benefit long term residents and prevent gentrification.

Table 5.9: Differentiating of the strategies in RFBDP in terms of benefitting long term residents.

RFBDP	FBMRP
Implementations of the basic and extensive repairs compatible with the modest life style of the existing residents.	"Reconstruction" of the historic buildings.
The participation was depending on the approval of the property owners.	The participation is compulsory.
Establishment of Social Center in which seminars and occupational training courses are provided to empower the socio-economic conditions of the inhabitants	No strategy concerned to the empowerment of the socio-economic conditions
Rehabilitation of public schools	
Establishment of Community Forums to provide participation in every phase.	No strategy concerned to community involvement. Inadequate acquaintance related to the project.
Restoration of the shops in historic Balat Market with the funds.	
The assignment of an agreement with the participant property owners not to sell their dwellings for 5 years to prevent speculative market	No strategy concerned to the prevention of speculative market.
The selection of the houses whose property has not changed after 1997 to prevent speculative market.	
Implementation of rent control strategies. The aberrant increase in rents was obliged in the agreements.	
The project targets both tenants and property owners and do not intend to displace low-income groups.	The project targets the existing residents who can pay the construction costs. The project intends the displacement of low-income groups.

First of all, RFBDP implemented basic and extensive repairs which respond to the requirement of existing inhabitants rather than reconstruction of the historic buildings.

Besides, the approval of the property owner was defined as a precondition and several social criteria were regarded during the selection of the houses. The implementations did not contradict with the modest lifestyles of the inhabitants but rather upgraded their living conditions. Natural gas system was connected without a fee, installations were updated in the historic buildings, roofs and façades were repaired and waste management strategies were developed to prevent environmental pollution in the district.

Secondly, RFBDP conducted several activities to empower the community participation and awareness. The project aimed the active participation of community through the organization called "Community Forum". Furthermore, a social center was established in which several seminars related to the health, education and family ran. The program also upgraded the physical conditions of public schools and supported the students of the area.

Thirdly, RFBDP involved strategies to upgrade the socio-economic conditions of inhabitants. Occupational trainings were given to the eager inhabitants. Furthermore, the shops in the historic Balat Market were rehabilitated with the funds.

Finally, several strategies were developed regarding to ownership. Firstly, the participant houses were selected within the houses whose property owners have not changed after 1997. Additionally, agreements were signed with the households not to sell their dwellings for five years. Also, the landlords obliged to keep the tenants after the implementations as well as not to increase the rents more than inflation rates.

On the other hand, FBNRP takes contradicting approaches of intervention. The project involves the reconstruction of the buildings at the expense of the displacement and destruction of the authenticity of the historic stock. The characteristics of the project recall the "contemporary gentrification" that is discussed in the international literature. Smith (2002) and Shaw and porter (2007) agree that the most recent phase of the gentrification is hidden under the "urban regeneration". Gentrification evolved into an urban strategy for governments in the name of urban regeneration policies, together with the capital in cities around the world (Smith, 2002). Hackworth and Smith (2000) have mentioned that the recent phase of gentrification is different than the earlier phases in many ways (1) Gentrification expanded beyond the immediate city cores to remote, isolated neighborhoods (2) The state is more involved to the process (3) Contemporary gentrification is more linked to the large-scale developers, large developers became the first investors (Hackworth and Smith, 2000).

Respectively, Fener and Balat districts became an isolated area with poor environment in the last quarter of the 1900s. The neighborhoods are different in terms of their location and surrounding than the members of first and second waves of gentrification including Ortaköy, Asmalımescit, Cihangir or Galata. Fener and Balat neighborhoods are surrounded with the poor districts and more remote to immediate city cores than the other gentrified districts. Secondly, Fatih Municipality put the tender for regeneration project and acted as the initiator of the regeneration. Thirdly, Fener and Balat regeneration project is a large-scaled project with an approximate cost of 200 million dollars, thus, conducted by a large-scale developer.

Furthermore, several researchers have mentioned the strong relationship between the waterfront areas and gentrification in the literature (Wong 2006; Bunce 2009). Accordingly, Fener and Balat regeneration project embraces only waterfront area of the district. This is also a sign of a project that targets the gentrification of the area rather than the physical and social rehabilitation of the whole district. Additionally, as discussed earlier, the project involves no precautions against the displacement of the existing groups. On the contrary, the ownership alternatives target the moving of low-income groups to the social houses of HDA (Housing Development Association) in another district. Accordingly, the project aims to attract middle-class populations who can afford to pay the construction costs. Hence, the project shows the characteristics of the recent phase of gentrification which is masked as urban regeneration. He (2007) defines these types of projects as redevelopment with an obvious preference for economic interests by attracting high income rather than a preference for social interest through current low-income residents.

5.5.2. The impact level of RFBDP

Although, RFBDP manifested itself as an anti-gentrification project which targets to benefit long term inhabitants of the district, my researches show that impact level of the project was limited. The project could not achieve an effective transformation in the neighborhoods. Table 73 indicates the findings of the study concerned to the spatial, social, economic and ownership structures of the neighborhood after RFBDP.

Firstly, RFBDP could complete the rehabilitation of only 18% of the existing housing stock. Although, the participants are mostly content (95%) from the restoration works, the restoration of the houses by one by one could not create a visual impact. Hence, the program could not achieve to rehabilitate the neglect image of the district.

Another significant problem of the area was the lack of the green space, playgrounds, sports facilities and parks. Although the project did not involve the construction of green space or facilities, the program developed strategies concerned to environment pollution. Hence, the residents have begun to use existing parks and green spaces. Nevertheless, the neighborhoods still suffer from the lack of open spaces.

A further constraint of the area was the inadequate infrastructure. Although, Fatih Municipality upgraded the infrastructure in the neighborhoods during the RFBDP, inhabitants still indicate complains. Particularly, open electric cables is the kvetched defect related to the infrastructure.

Secondly, RFBDP developed two main strategies to achieve the rehabilitation of social structure. First is the upgrading of socio-economic conditions via social center in which public services including health clinics and occupational trainings locate; second is the creation of public awareness and participation. My researches showed that the social center could conduct several activities and have benefited nearly 500 residents. According to the program, Fatih Municipality would manage the social center after RFBDP. However, the activities of the social center have been interrupted after RFBDP. The inhabitants do not have information about the new location and performs of the social center.

Table5.10: Findings of the study

SPATIAL
The inhabitants are content from the restoration works of RFBDP. However the visual effect can not be created due to the lack of continuity.
The neighborhoods still lack of open spaces.
The inhabitants use the seashore more than before due to clean environment and increasing safety.
Environmental pollution has been prevented to a large extent through the successful sustainability of RFBDP's waste management strategies
Although there has been an upgrading related to infrastructure, there are still constraints particularly concerned to the electric cables.
SOCIAL
Increase in the satisfaction of the health services after RFBDP
increase in the satisfaction of education services in some extents after RFBDP.
Fatih Municipality cannot drive the management of social center adequately.
Fatih Municipality could not develop new strategies to sustain the social development.
RFBDP raised public awareness and impacted Fener and Balat regeneration project in this way.

Table 5.10 is continuing: Findings of the study

Well-educated, higher income groups have moved into the area after the declaration of RFBDP. The inclusion of this group has accelerated after the declaration of FBMRP.
There is an increase in the socio-economic level of the residents.
ECONOMIC
There is no considerable regeneration in the economic activities of the neighborhood.
Both former and new shopkeepers expect rent and inclusion of higher income groups.
Fatih Municipality cannot sustain the occupational training courses.
Fatih Municipality have not developed any strategy to regenerate economic activities
OWNERSHIP
There is a rather sharp increase in the rents which has caused the displacement of several tenants.
The neighborhoods have begun to witness " exclusionary displacement " after RFBDP.
RFBDP has triggered the expectations related to rent. Property owners expect increase in property values as well as the inclusion of higher income groups.
A speculative market has been formed after RFBDP
The inhabitants of the neighborhood mostly embrace their district and do not want to move.

Concerning the health and education services, my in-depth interviews showed that there is a considerable upgrading in health services after RFBDP. Fatih Municipality has launched new health centers to prevent overcrowded in the hospital. Also, public schools have been rehabilitated and new equipments have been provided within the scope of RFBDP.

Further strategy of RFBDP concerned to social structure was to provide community participation and arise awareness. The programme conducted several meetings to create awareness related to the environment and historic heritage. Besides, RFBDP encouraged the community participation in every stage of the project. All these strategies of RFBDP influenced the awareness of the inhabitants. The great opposition of former residents to FBMRP proves that residents have become conscious about their rights and their environment. The inhabitants established FEBAYDER (Fener-Balat-Ayvansaray neighborhoods Association) to object the strategies of FBMRP as well as to stand up for their rights. They organize several activities and attract the interest of authorities.

Regarding to changes in the economic structure, in-depth interviews and 2nd data gatherings show that high income groups have moved into the district after the declaration of RFBDP. According to the surveys, there is a considerable increase in the monthly income of the residents. Furthermore, new upscale commercial units have been opened after initiation of

the project. However, my in-depth interviews show that there is no economic regeneration due to neglect image of the district.

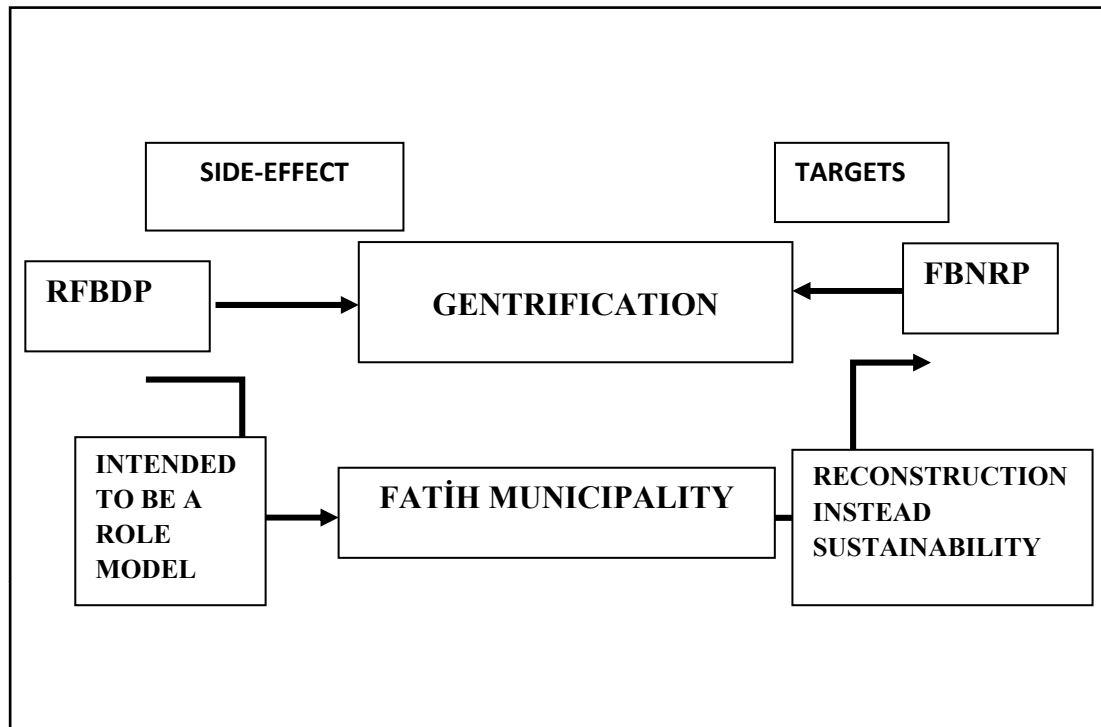
Related to the ownership structure, my research showed that several tenants had to move because of the sharp increase after RFBDP. However, the tenants of the participant houses are content from the project. On the other side, a speculative market has been formed despite several precautions. There is a huge gap between the estimated values of landlords and real values of the properties.

5.5.3. Gentrification process of Fener and Balat Neighborhoods after RFBDP:

My researches showed that gentrification process of the districts has begun after the declaration of RFBDP. Pioneer gentrifiers consist of artists, academicians and well-educated groups have begun to move into the district. However, there is no considerable increase in property values after RFBDP. Besides, there is no radical change in the social structure of the neighborhoods but only a few new comer. Nevertheless, there exist tenants who have moved because of the sharp increase and a speculative market has been formed after RFBDP. As a result, although the gentrification process of the neighborhoods has not caused a radical change in the neighborhoods yet, the district has a risk of deterioration in social authenticity due to the lack of sustainability policies.

As discussed in the earlier chapters, RFBDP intended to benefit existing community through developing several strategies. However, the project had a limited time schedule. Accordingly, as mentioned in the UNESCO 2008 reports, the programme intended to be a model for the future projects rather than revitalizing the whole districts. Nevertheless, the project was the first "urban rehabilitation" experience of Fatih Municipality focus on the benefitting existing communities along with the conservation of historic fabric. Accordingly, my researches show that Fatih Municipality cannot sustain and develop the strategies of RFBDP. Thus, gentrification has emerged as a side-effect of the project due to the lack of sustainability strategies (Table5.11)

Table 5.11. Gentrification and RFBDP-FBNRP



physical regeneration-led project with the intent of creating a positive and attractive city center through the construction of touristic, commercial and cultural facilities (Interview with the project coordinator of FBNRP, 2009). In this sense, my researches shows that even the announcement of the project have accelerated the gentrification of the district.

This research study shows that RFBDP has led to two conditions. On the one hand, several artists, academicians and foreigners have moved into the district since the 2000s. Besides, new restaurants, boutiques and hotels that cater higher income groups have been opened. On the other hand, respondents claimed that there has not been a considerable rehabilitation in the spatial and socio-economic structure of the neighborhoods. These two conditions and declaration of FBNRP have prepared the ground for a speculative market in the area. This, in turn, has led to the displacement of a limited number of tenants, in other words, has initiated a gentrification process.

The site surveys support that there is an appreciable change in the socio-economic level of the inhabitants between 1998 and 2009. Particularly, there is a considerable increase in the ratio of inhabitants graduated from university (from 2% to 5%). Besides, there is also an

increase in the monthly income of the residents from 2004 to 2009. While 82% of respondents earned lower than the poverty border in 2004, only 29% of the respondents earn under the poverty border in 2009. Many new comers with different professional background have moved into the district in the last decade. Moreover, in-depth interviews demonstrate that most of these new comers are artists and act as the pioneer gentrifiers in the process. They move in due to low cost housing, attractiveness of the existing historic fabric, and having a sea view. Many have hesitated to initially move in because of the conservative structure of the neighborhoods. Some of their friends have not moved due to this reason. Hence, the conservative structure of the neighborhoods interfere the gentrification to proceed faster.

A further sign of the gentrification process in the area is the new commercial which service high income groups. The emergence of certain types of upscale restaurants, cafes and stores is the visible sign of gentrification (Zukin, 2009). My in-depth interviews show that the shop owners expect rant and inclusion of higher income groups.

Despite the emergence of gentrification in the neighborhoods, interviews also show that there is a positive relationship between new comers and former residents. Former residents and their children benefit from some new comers, especially the artists and academics; and the new comers explore the ways to become a model for the former groups, and, thereby, to upgrade the socio-economic and physical structure.

As a result of all these changes in the socio-economic structure, the neighborhoods are drawn into a speculative market. RFBDP, the pioneer gentrifiers and new upscale commercial units and announcement of FBMRP have provoked the expectations of both former and new-comers related to the increase in property values. The site surveys consistent with the interview findings show that there is a considerable gap between the median values of the houses and estimates of property owners. Hence, a number of tenants have displaced due to aberrant increase in the rents as well as the speculative market.

A further significant finding is that the neighborhoods also witness the *exclusionary displacement*³⁷. All the property owners indicate that they select the tenants more carefully after RFBDP and prefer higher income, well-educated tenants. Hence, a group of low income people who could afford to live in the neighborhoods before the project may not find a dwelling year after year.

³⁷ ₁When one household vacates a unit voluntarily and that unit is then gentrified...so that another similar household is prevented from moving in, the number of units available to the second household in that housing market is reduced. The second household, therefore, is excluded from living where it would otherwise have lived. (Marcuse, 1985)

CHAPTER 6

CONCLUSION

In this thesis, I present two different transformation projects with the participation of different actors in the same district. On the one hand, RFBDP -internationally supported project- intended the social rehabilitation of former residents along with the conservation of the architectural authenticity and manifested itself as an anti-gentrification project. On the other hand, FBNRP -Fatih Municipality and private sector partnered - intended to transform physical structure of the area at all hazards. I conduct a comparative study to advance towards achieving a better understanding of how to make conservation-led transformation compatible with social and economic gain of the existing communities.

The research presented in the thesis shows that the involvement of international agencies enhances an inclusive and participatory planning approach of local governments in the Fener and Balat urban transformation process. By saying this, the study does not suggest the generalization of the findings to all regeneration processes, but it argues that the involvement of international agencies in RFBDP acted as a guardian of the conservation of the historic assets and the sustainability of the existing community in the case of Fener-Balat. Moreover, FBNRP has pursued an exclusive approach and introduced spatial changes that may jeopardize the authenticity of the historic assets of the neighborhoods.

The study concludes this by comparing the municipality's spatial, socio-economic and ownership strategies in RFBDP and FBNRP planning processes with and without the involvement of international agencies; and by examining the impact of RFBDP on the neighborhoods. The study particularly sought the influence of the projects on the sustainability of the existing community, in other words, their allowing capacity for gentrification, as well as the conservation of the historic environment. In line with Smith (1996), Betancour (2002), Hackworth (2002), Slater (2006), the study used the term *gentrification* to refer a process that leads to the displacement of existing low-income groups as well as treats the social authenticity of the historic neighborhoods.

With this respect, RFBDP has given a special effort and importance to sustain the existing community and to engage it in both the planning and post-planning processes. It was essential for the programme to improve the social capacity of inhabitants and to allow them to appropriate the transformation process. Although this thesis sees gentrification as an unwanted consequence of transformation interventions, the research conducted in the Fener-Balat neighborhoods revealed that some degree of social transformation involving high-educated and income households might be 'good' for upgrading the neighborhoods' social life. By saying this, it is essential to note the potential risk of gentrification, and thereby, losing the social uniqueness of the neighborhoods.

This chapter presents the summary of the research findings. It particularly reflects on the gentrification process of the neighborhoods after the implementation of RFBDP. Furthermore, this chapter presents recommendations to be considered in future urban transformation processes.

6.1. Recommendations for the future urban regeneration projects:

Based on the findings of the study, this part presents a number of recommendations to benefit existing groups from the transformation projects. Although, the recommendations are drawn from site-specific findings, they can be useful in future transformation processes of inner city historic neighborhoods. To engender a general model, this part also presents late³⁸ recommendations. That is to say, this part intends to answer the questions "What **could** be done?" and "What **can** be done?" to sustain the rehabilitation of the area.

First of all, urban transformation projects in historic cores should be designed on the basis of sustainable fund systems. This kind of conservation-led projects should be supported by international or national funds³⁹. Otherwise, the social and physical authenticity of the area may be destroyed for the sake of profit. In this sense, the financial structure of FBNRP is not appropriate for historic districts. The construction firm won the tender of the project in return for 43.42% share and became the beneficiary of the project. Accordingly, priority of the

³⁸ As the organization and financial structures of FBNRP are defined, the recommendations may be late concerned to these items.

³⁹ See chapter 2- Strategies to overcome the negative impacts of gentrification

planning approach became gaining profit rather than the conservation of social and physical authenticity of the districts⁴⁰.

Second, FBMRP is initiated based on the law 5366 "Preservation by Renovation and Utilization by Revitalizing of Deteriorated Immovable Historical and Cultural Properties". Law 5366 gives full liberty to local municipalities in developing and implementations of the transformation projects. However, the actors of a conservation-led project should be independent and planning approaches should not seek profit.

A further component of the transformation project is the spatial upgrading. The rehabilitation of buildings through improvement of earthquake resistance, updating plumbing and electrical systems and implementing basic or extensive repairs is one of the most appropriate interventions for the historic housing stock. Housing rehabilitation encourages inhabitants to remain their neighborhoods. In this sense, The Fatih Municipality obtained a great opportunity through RFBDP. Rehabilitation of 121 houses was completed by the international funds within the scope of RFBDP. Fatih Municipality was also a partner as well as an active participant of the project in every stage. Hence, the municipality gained experience in rehabilitation works. In this frame, the optimal implementation for the area was the continuation of RFBDP. Instead large scale interventions which destroy the physical and social fabric, rehabilitation works should be sustained. Furthermore, a strategy can be developed to direct investments during the implementations. Definite streets on the main axis of the area (Vodina Street, Yıldırım Street) can have been chosen and all of the buildings of these streets could have been rehabilitated to create a visual affect.

It is also essential to develop social strategies to benefit long term residents from transformation projects. The projects should include multi-purpose objectives to tackle multi-problems of deteriorated historic districts. Accordingly, people-based transformation projects should involve strategies focus on the improvement of public health and education services and cultural activities. In this sense, RFBDP involved the establishment of a social center to empower the socio-economic conditions of the residents. The center conducted several activities in line with its purpose during the implementations of RFBDP. However, Fatih Municipality could not achieve the sustainability of the social center accurately⁴¹. In

⁴⁰ The projects propose the reconstruction of historic buildings, changes in the plan schemas to obtain more apartments and construction of new facilities such as swimming pools in the courtyards and underground carparks to attract higher income groups.

⁴¹ An advertisement on the Social Center indicates that free courses are given only for successful students and my in-depth interviews show that the inhabitants do not have informations about the

this sense, the adequate functioning of Social Center as well as the establishment of new ones is crucial. Fatih Municipality should support and seek funds for these centers.

Community participation is a further significant component of transformation projects that target to benefit existing groups. In this sense, RFBDP intended to provide participation of the residents in every stage of the project; the program got the requirements of the residents through the detailed surveys; organized community forums; selected volunteers and decided appropriate waste management strategy during the meetings. However, Fatih Municipality also failed in terms of launching the community participation even in the first phase. The inhabitants organized activities and established an association to object the obscurity of the FBMRP.

A further significant component is to achieve economic development in the area. In this sense, RFBDP restored the shops in historic Balat Market with the funds. Furthermore, occupational trainings were provided in the Social Center. Thereafter, Fatih Municipality should sustain the occupational trainings as well as develop new strategies to raise the income of long term residents. The residents may be employed in the construction works of the new project after the trainings. The authorities should encourage the investors with regulations such as tax abatement in return for employing current inhabitants. Accordingly, one of the most obvious strategy to regenerate economic activities is the emphasizing the touristic features of the district. However, Fatih Municipality could not rehabilitate the neglect vision of the area. The unique historic heritage of the district does not attract attention capably due to the dilapidated image of the district⁴².

A comprehensive plan to benefit existing groups also addresses ownership strategies to obtain affordable housing. Regarding to ownership strategies, Fatih Municipality could create "Inclusionary Zoning" ⁴³ for the production of affordable housing. Tender documents of the project could involve a requirement for the construction of affordable housing. A further appropriate strategy for Fener and Balat neighborhoods is the long-term housing funds. In this case, Ministry of Culture should also provide these funds for the residents of historic site in order to conserve social authenticity of the area.

activities of social center. Also another building restored to function as social center (Dimitri Kantemir House) is closed.(See Chapter 4)

⁴² The Municipality have not removed even the ruins of an pianist's house for months. The lightening system is too weak that the neighborhods can not be visited at nights. Furthermore, there are no signs showing the historic buildings and several inhabitants mention that tourists get lost during the sightseeing (Interview with the inhabitants for thesis study in 2009). See chapter 5.

⁴³ See Chapter 2.

These involve simply some recommendations to benefit existing groups from the transformation projects. As the final word, it is important to acknowledge that the major question is not whether gentrification can be controlled and displacement can be eliminated but rather to identify if there is the desire to do so (Marcuse, 1984). The critical point is that to remove "poor" inhabitants to upgrade the "image" of the neighborhoods do not solve the urban problem but it only shifts to another spatial location.

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APPENDIX A

INTERVIEW QUESTIONS

The Local Coordinator of the Restoration Component in RFBDP

- Who are the actors of RFBDP? What are the duties of these actors?
- How is the organization and financial structure of the project?
- How do you evaluate the productivity of the partnership? Particularly, what do you think concerned to the partnership of Fatih Municipality?
- What were the strategies of RFBDP in order to provide community involvement?
- Do you think that the projects' precautions against the gentrification achieved their goals? What could be done further ?
- What were the strategies of RFBDP in order to achieve social improvement?
- How do you evaluate the sustainability strategies of Fatih Municipality?
- Do the authorities of FBNRP benefit from the findings of your surveys? Do you conduct information Exchange?
- What do you think about the planning approaches of FBNRP? What are the differences of RFBDP from FBNRP in terms of their planning approaches?
- What do you think about the law 5366 "The Sustainable Use of Downgraded Historical Real Estate through Protection by Renewal" ?
- What do you think about the FBNRP's proposals concerned to 38 houses in the renewal area restored within the scope of RFBDP ?

The International Co-Director of RFBDP (An expert participated to the "ICOMOS/UNESCO Review Mission to the Historic Areas of İstanbul World Heritage Site)

- How do you evaluate your partnership with Fatih Municipality?
- What do you think about the FBNRP? Do you think that the new project will be able to sustain the rehabilitation of the neighborhoods?

- What are your opinions concerned the law 5366 "Conservation by Renovation and Use by Revitalization of the Deteriorated Historical and Cultural Immovable Property" ?
- Have you been in touch with the local authorities concerned to FBNRP? What kind of developments may occur concerned to Fener and Balat neighborhoods in the future?

The project coordinator of GAP Construction Company

- Who are the actors of the project?
- How is the organization and financial structure of the project?
- What are the strategies of the project concerned to community involvement?
- What is the conservation approach of the project? Which intervention techniques are used?
- What is the main objective of the regeneration project?
- Have you been in touch with the authorities of RFBDP? Have you conducted information exchange?
- Have you conducted any social surveys in the area? How do you define the reflections of these surveys to the project?
- What are the strategies of the project related to rehabilitation of residents' socio-economic condition?
- What are the ownership alternatives of the project both for the property owners and tenants?
- Does the project involve strategies to prevent displacement of existing residents?
- Do you think that the target group of the regeneration project is the existing communities or does the project intend to attract higher income groups?

An architect from Teğet Architecture and Construction Limited Company involved in FBNRP

- What are the main planning approaches of the project?
- What is the conservation approach of the project? Which intervention techniques are used?
- Have you conducted any social surveys in the area? How do you define the reflections of these surveys to the project?
- Do you think that the target group of the regeneration project is the existing communities or does the project intend to attract higher income groups?

- Do you think that the target group of the regeneration project is the existing communities ? Do you think that the project may lead gentrification?

Etude Project Manager of Fatih Municipality

- What are the actors of RFBDP and FBNRP ? What are the organization structures of both projects?
- Is there a connection between RFBDP and FBNRP? Does FBNRP involve any sustainability strategy designed during the RFBDP?
- Do you think that RFBDP benefitted Fatih Municipality in terms of technical capacity?
- Do you think that RFBDP has impacted the initiation of FBNRP?
- Has the municipality developed any strategy concerned to social development after RFBDP?
- Can you sustain the implementations/social strategies of RFBDP (waste management strategy/social center)
- What kind of activities have been performed in the Social Center after RFBDP?
- What is the main objective of FBNRP?
- What is the prediction of FBNRP for the existing residents? What are thw ownership alternatives of the project for both property owners and tenants?
- Have you established Community Forums to get the inhabitants' requirements/ opinions related to project? What kind of activities have you been performed to inform residents?
- Does FBNRP involve any strategy to rehabilitate socio-economic conditions of existing inhabitants?
- Does FBNRP involve any precautions against the displacement and speculative market?
- What kind of works have you been conducted to highlight the touristic features of the district as well as to regenerate economic activities?

General Secretary of Fener-Balat-Ayvansaray Association (FEBAYDER),.

- What is the aim of FEBAYDER?
- What kind of activities have you been performing?
- What are your opinions concerned to RFBDP? Are you content from the rehabilitation works?
- Did you participate RFBDP? (In which stage?)

- What kind of changes do you observe after RFBDP? (In buildings, open spaces, transformation, infrastructure, public services, social life, economic conditions, change in population structure)
- Do you think that RFBDP contributed the public awareness in the district?
- What are the differences of RFBDP and FBMRP? (Projects approach to inhabitants-information level) Do you think that you have been informed adequately related to the project?
- In what conditions you/your fellows may contribute a rehabilitation project? (Only by funds or different payment methods)
- What are your requirements from a transformation project in your district? What are the constraints of the district?

Questions of the Inhabitants

1. Property Owners

a. Residents/Participants of RFBDP

- Are you content from the rehabilitation works of your house?
- Why did you participate the project?
- Did the authorities of RFBDP get your requirements? How did they conduct the restoration works?
- Has your agreement involved obligatory items related to selling your house?
- Has your agreement involved any items related to tenants?
- How was the restoration period of the houses?
- What kind of changes/differs have you observed after RFBDP?
 - a. In your/your neighbors life ?
 - b. In your neighborhoods?
- Can you evaluate your satisfaction from the project? (Satisfied:7- Not satisfied: 1)
 - a. Buildings? (Is there any upgrading? Where? What are your proposals?)
 - b. Open spaces? (Is there any upgrading? Where? What are your proposals?)
 - c. Transportation/infrastructure? (Is there any upgrading? Where? What are your proposals?)

Services-health, education, social activities- (Is there any upgrading? How?What are your proposals?)

- Have you observed any change in the social structure? Are there new comers that are higher income or artists/intellectuals? Are you meeting/ having a conversation with them? Do you think that they may benefit the existing residents via cultural, economic activities etc.
- Do you think that the values of properties will increase abnormally in the future?
- .Do you have adequate information about FBMRP? Have you participated any meeting to get information?
- What are your expectations from a transformation project in the neighborhoods?
- What are your requirements/proposals for the future projects?

a. Residents/ Not Participants of RFBDP

- Why did not you participate the project?
- What kind of changes/differs have you observed after RFBDP;

a. In your/your neighbors life ?

b. In your neighborhoods?

- Can you evaluate your satisfaction from the project? (Satisfied:7- Not satisfied: 1)

a. Buildings? (Is there any upgrading? Where? What are your proposals?)

b.Open spaces? (Is there any upgrading? Where? What are your proposals?)

- Transportation/infrastructure? (Is there any upgrading? Where? What are your proposals?)

c. Services-health, education, social activities- (Is there any upgrading? How?What are your proposals?)

- Have you involved any activities of RFBDP? Do you have any neighbors who participated? What kind of activities have been performed?
- Have you observed any change in the social structure? Are there new comers that are higher income or artists/intellectuals? Are you meeting/ having a conversation with them? Do you think that they may benefit the existing residents via cultural, economic activities etc.
- Do you think that the values of properties will increase abnormally in the future?

- Do you have adequate information about FBNRP? Have you participated any meeting to get information?
What are your expectations from a transformation project in the neighborhoods?
- What are your requirements/proposals for the future projects?
In which conditions you may contribute a restoration project? (with only funds-long-term payments etc.)

Commercial

- What kind of changes/differs have you observed after RFBDP;
- a. In your/your neighbors life ?
- b. In your neighborhoods?
- Can you evaluate your satisfaction from the project? (Satisfied: 7- Not satisfied: 1)
- Buildings? (Is there any upgrading? Where? What are your proposals?)
- Open spaces? (Is there any upgrading? Where? What are your proposals?)
- Transportation/infrastructure? (Is there any upgrading? Where? What are your proposals?)
- Services-health, education, social activities- (Is there any upgrading? How?What are your proposals?)
- Have you observed any change in the social structure? Are there new comers that are higher income or artists/intellectuals? Are you meeting/ having a conversation with them? Do you think that they may benefit the existing residents via cultural, economic activities etc.
- Do you think that the values of properties will increase abnormally in the future?
- Have economic activities regenerated after the RFBDP?
- .Do you have adequate information about FBNRP? Have you participated any meeting to get information?
- What are your expectations from a transformation project in the neighborhoods?
- What are your requirements/proposals for the future projects? What can be done to regenerate economic activities?

Tenants

Residents/Not Participant

- What kind of changes/differs have you observed after RFBDP;
a. In your/your neighbors life?
b. In your neighborhoods?
- Can you evaluate your satisfaction from the project? (Satisfied:7- Not satisfied: 1)
a. Buildings? (Is there any upgrading? Where? What are your proposals?)
b. Open spaces? (Is there any upgrading? Where? What are your proposals?)
c. Transportation/infrastructure? (Is there any upgrading? Where? What are your proposals?)

Services-health, education, social activities- (Is there any upgrading? How?What are your proposals?)

- Have you observed any change in the social structure? Are there new comers that are higher income or artists/intellectuals? Are you meeting/ having a conversation with them? Do you think that they may benefit the existing residents via cultural, economic activities etc.
- Do you think that the rents will increase abnormally in the future? If this happens, how does it impact your life?
- Do you have adequate information about FBMRP? Have you participated any meeting to get information?
- What are your expectations from a transformation project in the neighborhoods?
- 1What are your requirements/proposals for the future projects?

Commercial/Not Participant

- What kind of changes/differs have you observed after RFBDP;
a. In your/your neighbors life ?
b. In your neighborhoods?
- Can you evaluate your satisfaction from the project? (Satisfied:7- Not satisfied: 1)
a. Buildings? (Is there any upgrading? Where? What are your proposals?)
b. Open spaces? (Is there any upgrading? Where? What are your proposals?)

c. Transportation/infrastructure? (Is there any upgrading? Where? What are your proposals?)

d. Services-health, education, social activities- (Is there any upgrading? How?What are your proposals?)

- Have you observed any change in the social structure? Are there new comers that are higher income or artists/intellecutuals? Are you meeting/ having a conversation with them? Do you think that they may benefit the existing residents via cultural, economic activities etc.
- Do you think that the values of properties will increase abnormally in the future?
- Have economic activities regenerated after the RFBDP?

- Do you have adequate information about FBNRP? Have you participated any meeting to get information?
 - What are your expectations from a transformation project in the neighborhoods?
- . What are your requirements/proposals for the future projects? What can be done to regenerate economic activities?

New Comers

Residential/Commercial

- What is your job/ education level?
- When have you moved into the district?
- Why have you preferred this neighborhood?
- Do you have any acqitant who also want to move in Fener and Balat?
- Do you expect an increase in property values?
- Do you have any plans related to cultural/social activities?
- How is your relationship with the former residents?
- What do you know about RFBDP and FBNRP?
- What are the problems of the districts?
- What is your expectations from the new projects?

Displaced

- When did you move from the district?
- Why did you move?
- How this movement impacted your life?
- Do you know any other resident moved due to sharp increase?
- Have you appealed anywhere to inform your difficulty?