The Government Land Sales Programme: turning plans into reality

Singapore's land sales programme has played a key role in the country's urban redevelopment. Since its establishment in 1967, the Sale of Sites programme, later renamed the Government Land Sales (GLS) programme, has been instrumental in transforming Singapore's city centre into a flourishing, world-class business and financial district. Land sales in the outer-lying parts of the country have also spurred the development of many vibrant and attractive mixed-use regional centres. Today, the GLS programme remains a pillar of Singapore's planning process and is a successful demonstration of how the public sector can effectively tap on the private sector to forge a partnership in effecting sustainable and impactful urban development.

This Urban Systems Study documents the challenges, efforts and successes encountered by Singapore in conceptualising and implementing the land sales programme over the decades. It also comprehensively describes and explains the programme's key aspects, including the selection of sale sites and various modes of sale available.

"The Sale of Sites programme that we created has been a unique feature in Singapore's urban renewal. I am very proud to say that it was the driving force in Singapore's urban renewal."

Alan Choe, General Manager, Urban Redevelopment Authority (1974-78)
THE GOVERNMENT LAND SALES PROGRAMME: TURNING PLANS INTO REALITY
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38. Office developments in the CBD constructed in the 1960s and 1970s, such as Shenton House along Shenton Way, were usually of a small scale, occupying limited land plots.
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52. Two condominium developments conveniently located opposite the Sengkang MRT station.
54. Private residential developments built on GLS sites sold during the market boom of the early 2010s include Eco at Bedok.
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62. Land sales brochures of sites sold in the 2000s and 2010s.
63. The URA showcasing Marina Bay at the MIPIM and the SIBOS.
64. A site at Upper Pickering Road was sold for hotel use via a price only tender in 2007. It was developed as the Parkroyal Collection Pickering hotel and features generous landscaping.
65. Pearl Bank Apartments stood on Pearl’s Hill for 44 years until its demolition in March 2020.
66. The Marina Square integrated development includes a mall and three hotels—the Mandarin Oriental, Parkroyal Collection Marina Bay and The Pan Pacific Singapore.
67. The design of the façade of ION Orchard was finalised in discussion with a URA-convened DAP.
68. An auctioneer at the sale of landed housing parcels at Sembawang Greensvale Phase 1 in 2007.
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74. The Capitol Theatre development includes a large, circular sheltered public space. It also retains the façade and interiors of the original landmark.
75. The Sentosa Integrated Resort includes the Universal Studios Singapore theme park and S.E.A. Aquarium.
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FOREWORD

Singapore faced an acute housing shortage in the 1950s as many came in search of jobs after the war. People concentrated in the city centre where most of the employment opportunities could be found, resulting in overcrowded shophouses and slums. The poor living conditions were further exacerbated by a lack of proper sanitation and infrastructure.

In 1960, the Housing and Development Board (HDB) thus embarked on an ambitious five-year plan to build 50,000 units of public housing. Besides resettling the urban population into new homes, an important step was to also clear the slums in the city centre.

I joined the HDB in 1962 as its first architect-planner and worked on the development of public housing new towns. I was also put in charge of planning and implementing the redevelopment of the city centre. At the time, the concept of urban renewal was a new one in Singapore. No one had a clear idea of what the right thing to do was. But Singapore’s leaders trusted and supported the government’s planners, giving us the courage and confidence to press ahead. The HDB established a small Urban Renewal Unit, and I was tasked to lead it.

We had no computers in those days. We also had limited resources to guide us in our task. But we had the fortune of working with a group of experts from the United Nations (UN), which the government had called on for support in the urban renewal effort.

We spent many weeks surveying the Chinatown area to assess if it was ready for redevelopment and prepared a comprehensive plan for urban renewal. Following that, the government also sent me on study tours to the United States (US), Europe and Japan, to understand how urban renewal was conducted overseas.

Back then, apart from the US, very few countries had undertaken urban renewal on a substantial scale. There, I learnt many valuable lessons, including that private sector participation is an essential facet of any urban renewal programme. But unexpectedly, I also gained much insight on what not to do. For one, the land sale and redevelopment process often lacked transparency, and the renewal process often neglected to consider the needs and interests of marginalised groups such as racial minorities.

I realised that Singapore needed a different—and better—system.

The Sale of Sites programme, renamed the Government Land Sales programme in the 1990s, was one of the most important features of urban renewal in Singapore. Learning from my observations in the US and elsewhere, we designed an open tender system with a fair bidding process. Each site was carefully and strategically zoned to ensure that they
PREFACE

The Centre for Liveable Cities’ (CLC) research in urban systems unpacks the systemic components that make up the city of Singapore, capturing knowledge not only within each of these systems, but also the threads that link these systems and how they make sense as a whole. The studies are scoped to venture deep into the key domain areas that CLC has identified under the Singapore Liveability Framework, attempting to answer two key questions: how Singapore has transformed itself into a highly liveable city over the last five decades, and how Singapore can build on our urban development experience to create knowledge and urban solutions for current and future challenges relevant to Singapore and other cities through applied research. 

The Government Land Sales Programme: Turning Plans Into Reality is the latest publication from the Urban Systems Studies (USS) series.

The research process involves rigorous engagement with our stakeholder agencies, and numerous oral history interviews with Singapore’s urban pioneers and leaders to gain insights into development processes. The tacit knowledge drawn out through this process allows us to glean useful insights into Singapore's governance and development planning and implementation efforts. As a body of knowledge, the USS, which cover aspects such as water, transport, housing, industrial infrastructure and sustainable environment, reveal not only the visible outcomes of Singapore's development, but the complex support structures of our urban achievements.

CLC would like to thank the Urban Redevelopment Authority and all those who have contributed their knowledge, expertise and time to make this publication possible. I wish you an enjoyable read.

Hugh Lim
Executive Director
Centre for Liveable Cities

Alan Choe
Former General Manager
Urban Redevelopment Authority
ACKNOWLEDGEMENTS

The Centre for Liveable Cities gratefully acknowledges (in alphabetical order) Hwang Yu-Ning, Josephine Loke, Lim Eng Hwee, Lim Hwee Hoon, Lim Siah Chuan, Marc Boey and Sin Lye Chong for taking the time to share their insights on the Government Land Sales programme through interviews, and the Urban Redevelopment Authority for its assistance in preparing this book.

The researcher, Alison Lee, would like to thank the following for their time, guidance and support (in alphabetical order): Choy Chan Pong, Gregory Lee, Hugh Lim, Jean Chia, Joanna Tan, Ken Lee, Khoo Teng Chye, Kwek Sian Choo and Dr Limin Hee.

We would also like to thank Alan Choe and Lim Eng Hwee for contributing the foreword and post-script, respectively.
Integrated Master Planning and Development

Think Long Term
A long-term perspective is adopted when organising the Government Land Sales (GLS) programme. This is due to the need to consolidate the stock of available State land years ahead of sale. The process starts during the inventory planning stage where potential GLS sites are planned for launch according to strategies drawn up in the Master Plan. When determining the GLS quantum, rigorous assessments of medium- and long-term demand are made in consultation with the relevant economic agencies to ensure that an appropriate amount of supply comes on stream for a stable property market. See pages 78 and 80.

Build in Flexibility
Flexibility is incorporated into the GLS programme in several ways. There are various modes of sale available—price-only tenders, auctions, Concept & Price Revenue tenders and the Fixed-Price Request for Proposal. Depending on the planning objectives of individual sites, the Urban Redevelopment Authority (URA) would select a suitable mode to conduct the sale. Since 2001, a Reserve List system was also put in place to provide additional GLS sites in the event that there is a surge in demand. Developers can respond to market conditions and apply to trigger more sites for sale depending on their sensing of the market. See pages 81 and 91.

Execute Effectively
During the early years of the land sales programme, incentives were introduced to encourage the private sector to take part in urban renewal. This included an attractive instalment payment scheme and property tax concessions. Extensive marketing was also conducted to convince businessmen to enter Singapore’s budding real estate industry. For each GLS site, the URA also provides detailed tender conditions to ensure planning and development intentions are met. See pages 17, 109 and 117.

Dynamic Urban Governance

Work with Markets
The GLS programme is a fundamental example of public-private partnerships in Singapore. The government offers sites for sale and taps on the private sector’s capital, expertise and ideas to deliver high-quality developments. Furthermore, the URA regularly engages developers, such as through industry associations. Through these sessions, there are opportunities for developers to provide market input and feedback on how the land sales programme can be improved and refined. See page 87.
OVERVIEW

Singapore has made a dramatic transformation since independence into a modern city. The Government Land Sales (GLS) programme has played an important role in this physical transformation. Faced with low living standards and poor infrastructural conditions in the 1960s, the government began the journey of urban renewal by selling land parcels in the city centre to the private sector for development.

The GLS programme has since become an essential mechanism to support Singapore’s progress by tailoring the type of sites to be released for sale in accordance with Singapore’s development needs at the time. The Urban Redevelopment Authority (URA) and other planning agencies formulate comprehensive land-use plans, but also actively work with the private sector to successfully implement these plans, enabling Singapore to meet its long-term development objectives.

In the early post-independence years, land sales concentrated on generating jobs for economic growth. Once urban renewal became less urgent, land parcels were sold for uses such as private residential housing. To maintain its economic competitiveness, Singapore also used the land sales programme as a lever to promote tourism and its financial services sector.

In more recent years, the government has leveraged the GLS programme to provide more diverse and affordable private housing options, as well as to promote decentralisation by facilitating the development of new growth areas such as Jurong Lake District, Paya Lebar Central and Woodlands Regional Centre.

1. The GLS programme was essential in shaping Singapore’s skyline.
More than five decades since its inception, the GLS programme continues to be an essential planning tool. Unlike many countries where the majority of land is owned privately, a large proportion of undeveloped land in Singapore is owned by the State. As landowner, the government is able to ensure that developers realise good quality developments on GLS sites, for example, by imposing detailed tender conditions (see Chapter 6: Modes of Sale and Sales Conditions). This form of “quality control” is especially important given the limited amount of land available in Singapore.

The GLS programme also plays an important role in helping to moderate fluctuations and promote stability in the property market. The supply of land through the GLS programme assures developers that there are sufficient sites available for purchase and discourages overly aggressive bidding behaviour that could cause spikes in property prices.

The success of the GLS programme can be attributed to its emphasis on the principles of transparency and openness, as well as on the government’s willingness and flexibility to constantly review, experiment, and fine-tune the programme. As the main land sales agent for the State, the URA has implemented many enhancements that have injected business flexibility to facilitate developers’ participation in the GLS programme, such as improving the clarity of tender conditions and tender evaluation criteria, introducing risk-sharing methods of sale, and establishing a regular, six-monthly schedule of site release announcements.

Beyond shaping Singapore’s landscape and skyline, the GLS programme has helped nurture the local real estate industry. Today, Singapore’s land sales programme is well established worldwide, attracting the participation of many international developers and institutional players such as real estate equity investors and consultants, thereby encouraging competition and new design ideas that raise the quality of its developments. With the experience and diverse portfolio gained from the GLS programme, many local developers have ventured successfully into overseas real estate markets.

In the years ahead, a key challenge for the government is to continue forging strong collaborations with the private sector through the land sales programme as a means to better leverage private capital and ideas, further establishing the programme as a successful public-private partnership.

"The GLS programme is one of the most important tools to realise our plans. Because land is supplied by the State, you can really see developments taking place based on the plans, and in accordance with the timelines set out to realise those plans."  

LIM ENG HWEE  
Chief Executive Officer,  
Urban Redevelopment Authority
Having only 725.7 km² of land, it is crucial that land-use planning in Singapore is carried out with careful consideration. With little room for error, far-sighted thinking is required for the allocation of land among various competing uses such as for economic activities, housing and infrastructure, civic and community institutions, defence and greeneries. As the population continues to grow and demands become more dynamic, it is critical to maintain a long-term approach to planning the development of Singapore and ensuring that land use is optimised. Hence, it is necessary for Singapore to have a range of development plans with diverse objectives to remain responsive to changing needs.

Land-Use Planning in Singapore

Singapore's land-use planning has its roots in 1822 when the founder of modern Singapore, Sir Stamford Raffles, set up a Town Committee and directed the preparation of a city layout plan, drawing lessons from other British colonial towns such as Penang and Calcutta. Known as the Raffles Town Plan or Jackson Plan, it focused on assigning districts to different groups in society.

2. The Raffles Town Plan, published in 1828, was drawn up by Lieutenant Philip Jackson.

Singapore attained self-governance from the British in 1959 and thereafter merged with the Federation of Malaya from 1963 to 1965. Following its independence in 1965, Singapore experienced massive social and economic shifts, rendering existing planning strategies obsolete. With little planning expertise, the government sought help from the United Nations Development Programme (UNDP) in 1967 to kick-start the State and City Planning Project (SCP). This resulted in Singapore's first Concept Plan, which was completed in 1971.

3. The 1971 Concept Plan.

The Concept Plan has since been established as a strategic land use and transportation plan. Each Concept Plan steers Singapore’s development over the next 40 to 50 years. The Master Plan then translates the broad strategies of the Concept Plan into detailed plans across Singapore, outlining the permissible land use and density for individual land parcels. Each Master Plan acts as a statutory land-use plan that guides Singapore's development in the medium term over the next 10 to 15 years. The task of reviewing and preparing the Concept Plan and the Master Plan is undertaken by the Urban Redevelopment Authority (URA), Singapore's national planning authority. Besides those two plans, the URA, together with other government agencies, has also produced a number of supplementary plans such as the Conservation Master Plan, Parks and Waterbodies Plan and Identity Plan.
Implementing Land-Use Plans through the Government Land Sales Programme

However, plans remain only as proposals on paper until they are put into action. In Singapore, one important implementing mechanism is the release of land through the Government Land Sales (GLS) programme for the private sector to develop. Parcels are prepared to be sold as GLS sites by drawing on the stock of available State land. These sites are launched on a carefully planned schedule, taking into consideration planning, economic, social and other objectives. With most of the land available for development in Singapore under State ownership, the government is able to direct development to the right locations, at the right time, and for the right uses to meet national objectives. While the government prepares and provides parcels of land for sale, the private sector puts in capital, expertise and creativity in constructing projects. In this way, the GLS programme is a form of public-private partnership (PPP), enabling the development of Singapore to take place in a synergistic way.

Marc Boey, Chief Operating Officer of Far East International and a former group director of Land Sales and Administration at the URA, describes the process as one in which:

The private sector uses its business acumen and financial capacity to develop land parcels, translating the urban planner’s visions into living, breathing physical spaces and buildings. As a result, the process of urban development becomes more robust, by tapping on each party’s unique strengths, synergising the roles of the public and private sector.

As one of the strongest examples of PPPs in Singapore, the GLS programme has contributed to the development of many key areas, such as Raffles Place, Marina Centre, Singapore River and Marina Bay, and conservation areas like Chinatown, Little India and Kampong Glam.

EXHIBIT 1

The programme has evolved alongside Singapore’s growth. In the 1960s and 1970s, land sales enabled the urban renewal of the Central Area by providing the space and opportunity for clusters of hotels and office buildings to be built in the city. This was crucial in boosting the economy and tourism for newly independent Singapore.

In 1991, Singapore’s second Concept Plan was published. In support of the 1991 Concept Plan’s vision of decentralising commercial activities from the city centre, sites were released under the GLS programme for the development of regional centres like those at Tampines, Woodlands and fringe centres such as Novena and Buona Vista.

As competition to attract investments between global cities heightened in the 2000s, the programme played a vital role in helping Singapore maintain its edge by expanding the Central Business District to Marina Bay, creating a brand new, world-class business, financial and entertainment district.

Since the first sale of a State land parcel in 1967, the programme has helped shape Singapore’s skyline and built environment. By the end of 2019, a total of 1,746 sites had been sold. This made up 40% of the total number of private housing dwelling units, 36% of the total Gross Floor Area (GFA) of office space, 31% of the total GFA of retail space, and 36% of the total number of hotel rooms in Singapore.

Besides helping to implement Singapore’s development plans, the GLS programme is also the main source of supply for different types of property. The steady supply of land from the GLS programme calibrated with projected demand has helped to stabilise prices and rentals in the property market. Over the years, the land sales programme has also supported economic growth while promoting investor confidence in Singapore.
The aim of this Urban Systems Study (USS) on the GLS programme is to highlight its purpose as an important mechanism to implement Singapore’s development plans. The USS also documents the detailed evolution of policies and processes concerning the planning and conduct of the GLS programme.

The following chapters will cover the origins of the GLS programme; the various planning objectives that were achieved through the GLS programme over the last six decades; the process of planning the GLS programme and the detailed planning and preparation behind the sale of each GLS site; different modes of sale and the reasons for the use of each; conditions imposed on developers of GLS sites and their objectives; and lastly, the challenges that have emerged in implementing the GLS programme and the innovative approaches taken to address them.

Demand for housing was sky high, and there was no new housing for people. Many people subdivided their houses into small cubicles to rent out to tenants, making the slum situation worse.¹⁰

ALAN CHOE
General Manager,
Urban Redevelopment Authority (1974–78)
After the Second World War, Singapore's population grew significantly as many people from the regional countries and elsewhere arrived in search of work. With job opportunities concentrated in the Central Area and limited housing available, squatter settlements and the extensive subdivision of shophouses—traditional two- to three-storey terraced buildings—proliferated in the city centre, resulting in abysmal living conditions.

By the 1950s, the Central Area saw an average residential density of 568 people per hectare. In the most crowded places, this figure exceeded 2,000. The problem of overcrowding was exacerbated by poor provision of physical infrastructure, which led to traffic congestion and an unsanitary environment where contagious diseases spread easily.

**Challenges in Carrying Out Urban Renewal**

Before the slums could be cleared, sufficient public housing and alternative accommodation for businesses had to be ready and available for the resettlement of slum residents. Due to excessive subletting, seven public housing units were typically required to resettle households from one shophouse. Fortunately, the government recognised early on that public housing alone was insufficient to improve the quality of life of its citizens; urban renewal was the solution. But it would not be an easy undertaking as most of the land in the Central Area was privately owned and subdivided into narrow lots. Small plots and fragmented ownership thus hindered the government from obtaining sufficient land for comprehensive redevelopment.

Moreover, the dissolution of the Singapore Improvement Trust (SIT), an organisation established by the colonial government to work on city planning and public housing, gave rise to an exodus of British architects and town planners. Hence, the Singapore government sought the assistance of the United Nations to carry out urban renewal.

**Assistance from the United Nations**

Erik Lorange, a consultant with the United Nations (UN), visited Singapore in 1962 to assess its readiness for urban renewal. The report he prepared at the end of his visit noted that Singapore was ready for renewal, and made several recommendations, including encouraging private redevelopment and legislating the compulsory acquisition of land. It also proposed that redevelopment projects start outside the core of the city where the proportion of land under State ownership was higher.
Subsequently, three UN experts, an architect-planner Otto Koenigsberger, a land and legal advisor Charles Abrams, and a traffic economist Susumu Kobe, came to Singapore to further evaluate the feasibility of urban renewal. Known collectively as the KAK team, the three drew up a plan delineating the boundary of the Central Area and its precincts so that redevelopment could take place in stages. This allowed the urban renewal team to allocate its resources more effectively while gaining experience and confidence before attempting to rejuvenate the most built-up areas. Throughout this process, Alan Choe, Singapore’s first and only architect-planner at the time, was attached to the UN experts and learnt from them. He recalls:

The plan then was to conduct urban renewal in a piecemeal way, in bite-size pieces. Basically, the total area for renewal was defined by the UN team. It was an area stretching about a mile and a half north of the Singapore River. And our job as a unit was to really go in-depth to find the precincts that we should renew first. The tactic was to just start from the extreme north and south edges, working toward the heart of the city centre, which was the densest area and the most difficult to operate in.

In 1964, Choe was tasked to head the newly formed Urban Renewal Unit under the Building Department of the Housing and Development Board (HDB). The unit had been created to focus efforts on urban redevelopment in the overcrowded city centre, complementing the work of the HDB. Prior to its inception, the Urban Renewal team only comprised Choe and two other officers who had also worked closely with the experts from the UN.

Learning from Other Countries

The following year, the HDB was at the tail end of its First 5-Year Building Programme, completing 54,430 units of flats and shops. By then, the backbone of housing shortage had been broken and Choe was assigned to go on study trips to the United States (US), Great Britain, Germany and Japan to understand more about urban redevelopment strategies.

Although these countries were relatively developed, the US was the only one that had embarked on significant urban renewal. Contrary to expectations, Choe found the American approach unsuitable for Singapore and he came to an important realisation:

When I went to America to study urban renewal, it was the only country in the world that did urban renewal in a serious way. But instead of learning what to do, I ultimately learnt what not to do.

At the time, urban renewal was unpopular in the US, where it was seen as a form of racial and socio-economic segregation through which minority and lower income communities were displaced to make way for redevelopment to serve the needs of affluent city dwellers. Plots of land were sold through private negotiation with developers, in a process that favoured those with connections to city authorities. The use of each land parcel was then left to the discretion of private developers rather than subjected to proper zoning plans. Choe’s observations of the problematic urban redevelopment process in the US provided many lessons on how not to design the GLS programme in Singapore.
As urban renewal gathered pace, the Urban Renewal Unit was expanded and reconstituted into a full-fledged Urban Renewal Department (URD) in 1966. The government also realised that small projects alone would not create the development scale needed to draw big overseas investors. Hence, in the same year, the existing colonial-era law, the Land Acquisition Act, was amended to allow the State to expropriate sites from landowners for public purposes. This enabled the government to acquire and amalgamate separate parcels into larger tracts of land that could be sold for comprehensive redevelopment. The land sales programme thus catalysed a new wave of development opportunities as prior to this, private developers rarely had the chance to build structures of such scale in the city centre.

We learnt from America where some city authorities cleared land and sold it without tender, exposing themselves to accusations of nepotism, corruption, and unfairness. We decided that we had to do things differently.

ALAN CHOE
General Manager, Urban Redevelopment Authority (1974-78)
In 1967 the Urban Renewal Department (URD) officially launched the first series of land parcels for sale to facilitate the redevelopment of the Central Area. The exercise was termed the Sale of Sites programme. Between 1967 and 1979, there would be eight separate Sale of Sites exercises. As an early form of public-private partnership, the Sale of Sites programme harnessed the expertise, capital and entrepreneurial capabilities of the private sector to drive urban renewal. The programme focused on providing sites for commercial developments to maximise the value of prime land. In turn, the government developed social amenities such as schools and community centres to meet the needs of the community.

Drawing on what he had learnt abroad, Alan Choe, General Manager of the Urban Redevelopment Authority (1974–78), decided that the process had to be conducted through a fair and open tender to ensure competition and transparency. After the sale parcels were finalised, a call for the submission of bids would be publicised in the local newspapers. Detailed models and drawings showing potential designs were also exhibited to help inexperienced businessmen envision development possibilities.

This was an indication of the substantial public interest in tendering for State land, and the usefulness of these materials to prospective tenderers.

Incentivising the Private Sector

Given the novelty of the Sale of Sites programme at the time, Choe thought that more could be done to spur the participation of private enterprises. He thus convinced the government to grant several incentives to developers. As it was the first time that such large plots of land were put up for sale, an instalment payment scheme was offered to reduce the risk and capital outlay for developers. After footing a down payment of 20% upon signing the Building Agreement, the developer could finance the remainder of the land cost over an interest-free payment period of 10 years. Choe also pushed to lower the prevailing property tax rate of 36% in the 1960s to 20% for a fixed period of five to six years, for sale sites. To his surprise, the government granted an even more generous concessionary property tax liability of 12% per annum for 20 years to the purchasers. He further elaborated:

After I submitted the paper to Cabinet, to my surprise, the ministers decided, “We give you 20 years instead of 5, at a rate of 12%.” Straightaway I thought, “My God, that’s a windfall.” After hearing of Cabinet’s decision, I jumped with joy and decided: this is it, let’s go.

There were also property tax exemptions for six months and an additional month of exemption for every storey of the building to be constructed. Moreover, these sale sites were not subject to Development Charge (DC), a tax levied on developers when the planning authority grants planning permission for development, which increases the value of a piece of land. At the same time, urban renewal sites received expedited plan clearance and vacant possession of land within three months of building plan approval.

The URD also worked closely with the Housing and Development Board’s (HDB) resettlement department, which was responsible for resettling...
displaced households and businesses. The URD would frequently check on the progress of resettlement efforts to make sure that sites were cleared and residents relocated to new forms of housing, so that developers could take over them.³⁸

Promoting the Land Sales Programme

When the first Sale of Sites (comprising 14 parcels) was launched in 1967, there was little knowledge of or confidence in property development in Singapore. To drum up market interest in the land sales programme, Choe and his team frequently visited business-related organisations such as the Rotary Club, Lions International and clan associations.³⁹ He promoted the Sale of Sites programme extensively and educated businessmen on the benefits of urban renewal. He convinced hard-nosed businessmen such as shipping tycoon S.P. Tao and glass merchant Ho Kok Cheong to venture into real estate and contribute to nation-building. Tao and Ho went on to purchase sale sites and develop projects such as Shing Kwan House and People's Park Complex, respectively.⁴⁰

Choe, while speaking at a lunch with Rotary Club members in 1967, said:

> The appeal to the private sector is that without doubt in these 14 projects, your contribution would not only be looked at, I hope, from the profit motive, but should also be looked at as a possibility of your contribution to make a beautiful city out of Singapore. This is unique in the sense that the opportunities for making money are there and at the same time, the developer is given an opportunity to put a permanent landmark after his name.⁴¹

A milestone was reached during the seventh Sale of Sites in 1978—for the first time the land sales programme was promoted overseas. Singapore’s embassies in countries like Thailand, Japan, Indonesia and Philippines shared documents and plans with business communities in their host countries, while the overseas offices of Singapore Airlines in countries like Taiwan, Kuwait and Bahrain were roped in to help promote the upcoming tenders. As a result of these efforts, 800 Developer’s Packets were purchased for the 21 parcels put up for tender.⁴²
The People’s Park Complex site was part of the first batch of sites sold by
the URD and it set several records upon completion. Hailed as Singapore’s
largest shopping centre at the time, it was also the first mixed-use
development of its kind in Southeast Asia. The site originally housed
People’s Park Market, a cluster of outdoor makeshift stalls, which was razed
by a fire. The vacant site was tendered out in 1967 and awarded to the
sole bidder Ho Kok Cheong, a glass merchant in Chinatown who clearly
understood Singapore’s need for urban renewal.

Lacking capital for such a large project, the developer convinced the
URD to allow it to sell shop units off-plan (i.e., prior to the completion
of construction), which was similar to what was already being done for
residential developments. After plans were approved, the shop spaces were
sold at S$400 to S$800 per square foot (S$4,306 to S$8,611 per square
metre). Shop owners paid in instalments as construction progressed and
this generated cash flow to finance the building costs.

People’s Park Complex opened in 1970 and received much interest and
attention from the public, quickly becoming an attractive destination for
shoppers and the surrounding community. Residents in nearby Chinatown
who did not have proper sanitation at home even used its toilets for
bathing. Within the first month of opening, the number of visitors to the
shopping complex hit one million.

The development also provided an opportunity to introduce new spatial
design ideas. The architectural firm responsible for the complex, Design
Partnership (now known as DP Architects), introduced several ground-
breaking features in its scheme for the building. For one, the development
featured the first shopping centre atrium in Singapore. The architects
also focused on people-centric design by incorporating open spaces
like pedestrian corridors and common areas to bring people together.
The complex influenced the architecture of several other retail malls in
Singapore and the region.

People’s Park Complex was one of the earliest examples of successful
urban redevelopment and helped to give the private sector confidence to
take part in the Sale of Sites programme. It also showed how land sales
could provide an opportunity for developers and architects to break new
commercial and creative ground in their respective fields.

For Choe, the project was a particularly memorable one:

We created design consciousness; we created the opportunity for
[developers] to build mega structures. The result of this was People’s
Park Complex...a development that still exists today and [is] seen as
the most successful project for the people of Chinatown.
Stringent Tender Evaluation Process

For each sale site, the URD would propose design concepts that developers could choose to directly adopt for the final development. But many developers chose to come up with original and creative building designs, submitting them as part of their site bids. There was a strong incentive to do this because tenders were evaluated not on price alone, but on architectural merit and other factors as well. This fuelled competition that in turn raised design standards across the board. As a result, the land sales programme became a catalyst in the development of Singapore’s architecture scene.

Emphasising this, Choe elaborated, Out of one project there could be eight or more different designs, so eight or more architects can show off their talent. Every time we offered a site for tender, more and more good architects surfaced.

The tender submission process was strict. Late submissions were not accepted. Officers from the relevant departments were present to witness and ensure the proper procedures were followed, such as the sealing of the tender box at the end of the submission period, and the opening of the tender box. Tenderers and even members of the public could attend the unboxing process together with invited HDB board members, the Commissioner of Lands, and the Permanent Secretary of the Ministry of National Development (MND).

Price and design were evaluated separately. Each bid price would be recorded and verified before being shown to all tenderers. A blind assessment of design would then be conducted by a panel that was chaired by Choe and with representatives from the Planning Department and the private sector. This was done to ensure that judging was not influenced by the land premiums offered. As an additional check to ensure fairness in the design evaluation, Lim Siah Chuan, one of the first officers in the URD, remembered blotting out names of architects and developers on the
design proposals and models. To pre-empt unwarranted accusations of corruption, Choe put in place another level of checks by having a separate approval panel made up of the ministers for national development, law and finance.

To improve their chances of winning a site, some tenderers even went the extra mile to submit three or four design prototypes; at times, these models occupied an entire hall, prompting the URD to restrict the number of items that tenderers could submit.

The right incentives, coupled with effective marketing, transparency and clarity in the land sales system, produced the optimal environment for attracting the private sector to participate in the urban renewal of Singapore.
Singapore gained full political independence in 1965 after separating from Malaysia.

In the post-independence years of the 1960s and 1970s, the government focused on resolving many of the problems of urban blight and squalor in and around the city centre, building affordable homes to house the growing population and catalysing the development of new growth industries.

The 1980s and 1990s were a period of rapid economic growth for Singapore. There was a pressing need to improve the urban landscape to meet the changing needs and demands of an increasingly affluent populace, and to cater to the growing numbers of tourists and visitors from all over the world.

Since the start of the 21st century, the government’s priorities have been to further diversify and broaden Singapore’s economic base, as well as to re-position Singapore as an attractive place for residents to live, work and play. Consequently, there has been a focus on issues of liveability, sustainability and connectivity.

These changes have had a profound impact on the evolution of the Government Land Sales (GLS) programme. This chapter describes the key areas, developments and changes to the GLS programme through the decades.

**1960s and 1970s: Building up the Tourism Sector**

The Sale of Sites programme introduced in 1967 was one of the key tools used by the Urban Renewal Department (URD) to carry out urban renewal and redevelopment. However, challenges lay in forecasting the types of developments that would be in demand and needed to support economic development, in order to address problems such as unemployment and the uneven rate of development across the country. These were critical factors in the URD’s decisions on the kinds of sites to offer to the private sector for development.

As then head of the URD, Alan Choe, held frequent dialogues with the Economic Development Board (EDB) to understand what Singapore needed in order to stimulate the economy. Tourism was ultimately identified as a growth sector that would create many jobs quickly. As a member of the Singapore Tourist Promotion Board (STPB), Choe also had access to projections of the demand for hotel rooms, enabling him to fine-tune the amount of land required to support new hospitality developments and decide on the timing to sell new land parcels.

Of the first batch of sites offered for sale by the URD, the majority was earmarked for tourist-centric developments such as hotels, shopping centres and leisure enterprises. All were sold within two years of launch. Key tourism developments built during this period included hotels at Havelock Road as well as a cluster of entertainment complexes at Kallang Park that catered to both locals and tourists. The development of this batch of sale sites produced significant economic spin-offs—a cumulative investment of $152 million, 3,400 construction jobs and about 13,900 new employment opportunities.

Although leisure enterprises like Ice Palace at Kallang (top) and Pasir Panjang Bowl and Restaurant (bottom) were built for the tourism market, they proved to be very popular with Singaporeans as well.

The momentum generated by the first Sale of Sites exercise continued into subsequent exercises. In 1971, the URD launched a special sale exercise for tourism developments. This sale comprised two recreational and entertainment facilities in the Pasir Panjang area, adding to the existing cluster of such developments at Kallang Park.
During the early days of urban renewal, the government acquired a stretch of land formerly occupied by oil mills along Havelock Road. After land clearance and preparation works, three hotel parcels were released for tender in the first Sale of Sites programme in 1967.

In the process of marketing, Alan Choe met a businessman who suggested that if all three hotel parcels were sold and developed by different owners at the same time, each hotelier would face huge competition from the others. The businessman offered Choe a deal: he would participate in the tender only if the URD launched just a single site for sale.

However, Choe countered that certain developments required critical mass to be successful, relating this to the crowded night markets in Singapore known as pasar malams:

When you walk through a pasar malam, there are multiple shops selling similar products—plastic toys, clothing and so on. Together, they draw crowds to the pasar malam. So I told him, you know, it is the other way round. If there is a row of hotels, you lean on one another, and become stronger.

The analogy convinced the businessman, who promptly bid on and won a site. By 1974, the three hotels—Apollo Hotel, King’s Hotel and Hotel Miramar—were completed, becoming new icons along Havelock Road.

The approach to sell clusters of sites for similar developments around the same time—Choe’s “Pasar Malam Theory”—was also used in subsequent sales exercises, such as in the development of the Shenton Way business district.

To diversify the economy and reduce its reliance on entrepôt trade, Singapore embarked on an industrialisation programme in the early 1960s. As more foreign investments flowed into Singapore, the need for new commercial buildings grew. However, Singapore did not have a well-developed, modern financial centre to support the needs of the business community.

The government decided that it would have to develop a new financial and business district. To do so, the URD looked to the land sales programme. In the second Sale of Sites exercise in 1968, all 14 parcels offered were for office developments, substantially boosting supply by 163,881 m². Seven of these parcels, all located in a section of Singapore’s Downtown Core, came to be known as the Golden Shoe financial district. Its unique name was coined by a newspaper reporter who had observed that the shape of the district resembled an upturned shoe. Several of the Golden Shoe sale sites along Shenton Way were previously occupied by warehouses, car parks and jetties.
Map showing the parcels sold in the Golden Shoe area (the numbered sites correspond to their respective entries in the table on the next page).

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overseas Union House (now known as OUE Bayfront)</td>
<td>1st Sale (1967)</td>
</tr>
<tr>
<td>2</td>
<td>Maxwell House</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Far Eastern Bank Building</td>
<td>2nd Sale (1968)</td>
</tr>
<tr>
<td>4</td>
<td>Shing Kwan House (now known as SGX Centre)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Robina House (now known as One Shenton)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Shenton House</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>OCBC Centre</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Anson Centre</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>UIC Building</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Change Alley Aerial Plaza (now known as OUE Link)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Golden Bridge (demolished and rebuilt as a sheltered walkway connecting V on Shenton and OUE Downtown)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Marina House (now known as EON Shenton)</td>
<td>3rd Sale (1969)</td>
</tr>
<tr>
<td>13</td>
<td>Nehson’s Building</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Telcoms City South Exchange (now known as City South Telephone Exchange)</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>International Plaza</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Amara Hotel &amp; Shopping Centre</td>
<td>7th Sale (1978)</td>
</tr>
<tr>
<td>17</td>
<td>OUB Centre (now known as One Raffles Place)</td>
<td>8th Sale (1979)</td>
</tr>
<tr>
<td>18</td>
<td>Tat Lee Bank Building (now known as Bank of Singapore Centre)</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Cecil Court</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>OHL Building (now known as 158 Cecil Street)</td>
<td>9th Sale (1990)</td>
</tr>
<tr>
<td>21</td>
<td>Cecil House (now known as HD 139)</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>GB Building</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Ong Building (now known as 76 Shenton)</td>
<td></td>
</tr>
<tr>
<td>24A</td>
<td>OCBC Centre South</td>
<td></td>
</tr>
<tr>
<td>24B</td>
<td>OCBC Landscaped Site</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>The Globe</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>IOB Building</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>78 Shenton Way</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>The Quadrant (now known as PLUS)</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Caltex House (now known as Oxley @ Raffles)</td>
<td></td>
</tr>
</tbody>
</table>
Resettling Shophouse Businesses

During the early years of urban renewal, resettlement of businesses in the city centre was also necessary to make way for new developments. To avoid rupturing the longstanding networks and relationships between shop owners and their customers, the government often tried to move communities en masse into purpose-built resettlement centres. Besides resettlement centres built by the government, some parcels in the Sale of Sites programme were also sold for development into resettlement facilities. The URD worked closely with affected shop owners to understand their needs and these were often reflected in specific arrangements regarding the sale of these parcels.

One example was a group of Chinatown shop owners who did not want to be resettled in different locations, and decided to reject the government’s offer of monetary compensation or alternative accommodation. Instead, they formed a working committee to lobby for a site that could accommodate all of them. Following negotiations with the government, they were allocated a site nearby. By 1976, the Fook Hai Building was successfully built as their resettlement centre.

In another instance, a site at Chin Swee Road was sold by negotiation to the Thong Chai Medical Institution, which provided medical assistance to the needy. Another site near the Supreme Court, Parliament House and other government buildings was sold to a wholly-owned subsidiary of the Housing and Development Board (HDB) for the resettlement of law firms housed in nearby shophouses that were being cleared. This resulted in a development called Colombo Court.

Urban design was a key consideration in the planning of these sites, and strict design requirements were imposed on developers through detailed tender conditions. Developments at Shenton Way were required to provide continuous sheltered walkways, and uniform tower-and-podium designs to ensure that buildings set further back from the waterfront could still have vantage points to the sea. To improve accessibility across buildings along Shenton Way, the URD sold a site offering air space above the road for the construction of an elevated, sheltered promenade linking UIC Building, Shenton House, Shing Kwan House and DBS Building. The site was included as part of the third Sale of Sites exercise and was sold in 1972. The bridge, completed in 1974 and named the Golden Bridge, was an air-conditioned promenade that housed shops and eateries. It was demolished in 2015.

Concurrent with the land sales programme, the government also encouraged the private sector to redevelop existing privately-owned plots in the Golden Shoe district. The process was not always a smooth one. In some cases, landowners were unable to come to a consensus on combining their various land parcels to form larger plots while others failed to deliver on their redevelopment plans. This left several fragmented parcels of land that were too small to be consolidated into sizeable projects. Hence, although land acquisition was usually viewed as a last resort, it was ultimately imposed to speed up the development of the Golden Shoe district.

For example, in November 1975, the government mounted a large land acquisition exercise involving 215 plots of land measuring about 31,700 m$^2$ in the Golden Shoe district. This move prompted several private landowners to appeal to the Ministry of National Development (MND) and submitted plans to redevelop their sites in order to avoid having their land acquired by the State. However only three appeals from landowners—who were able to prove that their re redevelopment plans were already being drawn up prior to the acquisition announcement—were accepted. The remaining sites were thus acquired, amalgamated and sold for redevelopment.

In a span of about 20 years since the start of the Sale of Sites programme, there were 27 developments resulting from government land sales in the extended Golden Shoe district, adding 507,815 m$^2$ of commercial floor area and a total investment value of about $1.4 billion. Since then, the Golden Shoe area has provided a large amount of high grade office and commercial space for international and local financial institutions and other businesses to locate themselves, furthering Singapore’s growth as a leading global financial centre.
Completed in 1980, Hillcrest Arcadia was one of the first condominium projects in Singapore. As condominium living gained popularity, the URA released more sites for high-rise residential developments. Many of these sites were developed into attractive condominium complexes with extensive common areas and facilities such as tennis courts and swimming pools. These developments, which were made possible by the substantial supply of land through the GLS programme from the 1970s onwards, helped to satisfy Singaporeans’ demand for higher quality living.

The government’s sale of land parcels for residential developments in the 1970s and 1980s enabled the development of condominium projects such as Mandarin Gardens along Marine Parade Road.

Formation of a New Statutory Board

As urban renewal took on greater importance, the URD’s priorities started to diverge from that of the HDB, which focused primarily on providing affordable housing for the growing population. Choe felt that it would be more administratively efficient to establish the URD as a separate entity. He shared his view with then Minister for National Development E.W. Barker, who agreed and approved the establishment of a new agency dedicated to carrying out urban renewal.

On 1 April 1974, the Urban Redevelopment Authority (URA) was thus inaugurated as an independent statutory board under the MND for the comprehensive redevelopment of the Central Area. The URA was granted legal powers to act on behalf of the government to acquire, clear and assemble land to facilitate land sales for redevelopment. The URA’s powers to acquire land were later removed in 1987 following a review of land tender and acquisition procedures. Land acquisition could now only be undertaken by the Land Office, now known as the Singapore Land Authority (SLA). This organisational change promoted the effective implementation of land-use plans and policies.

Fulfilling Demands for Private Housing

While the government’s public housing programmes had improved living conditions for many, rising affluence led to an increasing desire among many Singaporeans to upgrade to higher quality private properties in the 1970s. At the time, private housing mainly consisted of landed properties, with a small number of high-rise private apartment buildings. To meet the aspirations of the growing middle-income group, the fourth Sale of Sites exercise included land earmarked for two large-scale condominium developments. These were developed into the projects Hillcrest Arcadia (in the Bukit Timah area) and the Grangeford (off Orchard Road). In the fifth Sale of Sites exercise, a site at Leonie Hill was sold for the development of studio apartments to cater to smaller households comprising singles and childless couples.
**EXHIBIT 2**

**LAND SALES IN THE 1960s AND 1970s.**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NO. OF SITES</th>
<th>NO. OF BIDS</th>
<th>TOTAL SITE AREA (HA)</th>
<th>TOTAL LAND PRICE</th>
<th>MAIN FOCUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Sale</td>
<td>1967</td>
<td>14</td>
<td>14</td>
<td>13.93</td>
<td>S$29.4 million</td>
</tr>
<tr>
<td>Second Sale</td>
<td>1968</td>
<td>14</td>
<td>57</td>
<td>5.28</td>
<td>S$32.5 million</td>
</tr>
<tr>
<td>Third Sale</td>
<td>1969</td>
<td>19</td>
<td>107</td>
<td>7.62</td>
<td>S$48.6 million</td>
</tr>
<tr>
<td>Fourth Sale</td>
<td>1974</td>
<td>8</td>
<td>117</td>
<td>6.71</td>
<td>S$28.6 million</td>
</tr>
<tr>
<td>Fifth Sale</td>
<td>1976</td>
<td>6</td>
<td>32</td>
<td>4.68</td>
<td>S$40 million</td>
</tr>
<tr>
<td>Sixth Sale</td>
<td>1977</td>
<td>7</td>
<td>35</td>
<td>3.74</td>
<td>S$30.1 million</td>
</tr>
<tr>
<td>Seventh Sale</td>
<td>1978</td>
<td>17</td>
<td>121</td>
<td>22.46</td>
<td>S$294.4 million</td>
</tr>
<tr>
<td>Eighth Sale</td>
<td>1979</td>
<td>22</td>
<td>182</td>
<td>11.88</td>
<td>S$446 million</td>
</tr>
</tbody>
</table>

Source: Chronicle of Sale Sites, Urban Redevelopment Authority, 1983.

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**1980s: Sale of Industrial Land**

With the economy booming in 1981 and 1982, the URA sold many land parcels to support industrialisation, such as for warehouses and flatted factories, from the 9th to 11th sales. These sites were mainly located in areas like West Coast, Eunos Industrial Estate and Kampong Ubi Industrial Estate, which facilitated the movement of goods to and from the Tanjong Pagar container terminal and Changi Airport. These sites were also situated some distance from residential areas so that pollution arising from industrial activities would not affect residents. The largest of these land parcels had a site area of 23,605 m² and was developed into Eunos Warehouse Complex on a 60-year lease. The sale of these industrial sites supported the growth of industries such as logistics, manufacturing and processing.

THE INDUSTRIAL GLS PROGRAMME

Up to the early 1990s, the vast majority of new industrial developments in Singapore were controlled by the JTC Corporation (JTC), a statutory board established in 1968 to develop and manage Singapore's industrial estates and related facilities.

Under this approach, the government allocated land directly to the JTC, which developed and leased industrial space to industrialists. This approach allowed the government to dictate the precise locations and uses of industrial parks and facilities, facilitating the planned diversification and growth of Singapore's economy. However, given that the JTC was the single largest developer of industrial space in Singapore then, the rental rates may not have fully or accurately reflected the value that industrialists would have been willing to pay.

Therefore in 1992, the government adopted a different approach to the development of industrial land. Instead of allocating all the land for new industrial developments to be developed and managed by the JTC, it sold selected parcels to the private sector under certain planning parameters and building controls. The private sector could thus tender for industrial sites and then develop industrial facilities, market and promote their own industrial developments.

This approach provided greater clarity to both the public and private sectors about the market value of industrial land and space. For the government, the land sales mechanism also provided guidance on whether there was a shortage or glut of industrial space, and whether the JTC's pricing and rental strategies were competitive and fair to businesses. The Industrial Government Land Sales (IGLS) programme was thus established, and is currently administered by the JTC as its land sales agent. Although the IGLS programme is separate from the GLS programme administered by the URA, the JTC will consult the URA and the relevant agencies before launching IGLS sites to ensure that land use parameters are in order.

The IGLS programme has played an important role in encouraging the private sector to participate in developing Singapore's industrial infrastructure, and has greatly promoted the growth of the industrial real estate sector. It has also evolved over time to offer a diversity of industrial real estate products in the open market. These include single-user factories, which are developments targeted at industrial users unable to locate themselves in multi-tenanted high-rise factories.
Riding Out the Recession

Singapore’s period of economic exuberance hit a roadblock in the early 1980s. By 1982, the property market was losing its growth momentum, and in 1985 Singapore fell into its first post-independence recession. The government put in place several economic interventions such as cutting wages by reducing employer’s contributions to workers’ Central Provident Fund accounts, and a two-year period of wage restraint. The government also pushed for the privatisation of government services and greater deregulation in a bid to boost private sector economic activities.

To deal with the economic downturn and the resultant declining demand for new land parcels, the URA halted its land sales programme to prevent an oversupply that could have severe consequences for property prices. A S$1.3 billion concession package was also put together to assist developers who had Sale of Sites projects in the pipeline. On top of a 35% extension of the original project completion period, an additional five-year grace period was also given. This delayed the injection of more commercial and residential floor space into the market till after 1990. Projects that had to adhere to a building programme by meeting deadlines for the various stages of completion were also allowed more flexibility in their construction schedule. The government also refrained from enforcing liquidated damages when developers fell behind in their construction timelines, and did away with the need for developers to produce a bank guarantee to cover such damages.

Additionally, the URA assisted developers to ease their cash flow by allowing a moratorium of up to seven years for the payment of land purchased under the Sale of Sites programme—which had been renamed the Government Land Sales (GLS) programme in 1997—and cut interest rates under the instalment payment scheme. Developers could also apply to foot half of the annual interest payment, while the remaining half was added to the loan balance during the moratorium period. The government’s prompt interventions alleviated hardships faced by several developers during the economic downturn. They also prevented a situation in which developers of GLS sites, faced with financial troubles, would be forced to abandon projects, leaving them unfinished and affecting the URA’s development plans for Singapore.

Preserving Our Built Heritage

Although the URA’s conservation programme officially began in the 1980s, Choe had drawn up detailed plans to safeguard the built heritage in the city centre many years earlier. They were submitted in 1967 to then Prime Minister Lee Kuan Yew, who supported Choe’s forward-looking proposal to preserve historical areas like Chinatown and Little India. The preparation of these plans demonstrated the careful and sensitive approach undertaken by the URD, and later the URA, in carrying out urban renewal, which prevented the razing of Singapore’s historical districts to reap maximum commercial gains.

The plans for conservation were further developed in the URA’s 1986 Central Area Structure Plan, which safeguarded seven areas for conservation—Chinatown, Kampong Glam, Little India, Boat Quay, Clarke Quay, Emerald Hill and Heritage Link. The conservation programme was formalised into the Conservation Master Plan of 1986, and adopted as a central feature of urban renewal and development in Singapore.
When Singapore emerged from the recession in the latter half of the 1980s, urban renewal of the city centre was no longer a pressing issue; reclamation works in Marina Centre and Marina South had created more space for the expansion of the Central Business District (CBD). This created the opportunity for a new area of focus—the conservation of more historically significant buildings in the Central Area.

To demonstrate the commercial viability of conservation, the URA undertook the restoration of 32 shophouses in Tanjong Pagar in 1987. One of the units, 9 Neil Road, was chosen as a “show house” which would serve not only as an example of a successful transformation of a rundown shophouse, but also as a benchmark for subsequent restoration projects. The restoration took place over a period of four months with the URA ensuring that it was done sensitively, so as to preserve as much of the original architectural features of the shophouse as possible. While the government took the lead in this pilot project, it recognised that the conservation programme would not be sustainable in the long term had it been carried out primarily by the URA. The Sale of Sites programme was thus leveraged as a tool to tap on the resources, expertise and experience of the private sector to further the conservation effort.

A press conference was held by the URA in 1987 to launch the first sale of conservation shophouses. The first sale of conservation shophouses was launched in August 1987, concurrent with the opening of 9 Neil Road for public viewing. To ensure that restoration would be carried out to a high standard, the tender documents included detailed stipulations for works to be done according to a set of conservation guidelines earlier drawn up by the URA.

To entice the developers, the URA constructed a new network of back lanes to serve as utility corridors fitted with infrastructure to support drainage, water, electricity and other essential amenities, as the shophouses lacked in-built utilities. Although the economy was just emerging from a recession, the response from the market far exceeded the URA’s expectations. Just half a year later, the URA offered an additional 81 shophouses for sale. In subsequent years, the URA offered more of such developments for sale in conservation districts such as Little India and Kampong Glam. Through the GLS programme, the URA was thus able to implement its conservation plans and preserve important aspects of the city’s character and identity.
While conservation shophouses look attractive and fetch high prices today, this has not always been the case. Prior to restoration, many shophouses were in a dilapidated state. URA officers faced many hazards on their visits to survey these buildings. For example, they would often encounter rats and monitor lizards in the dank interiors of these buildings.

Hence, it was no surprise that the announcement of the restoration project was initially met with a lukewarm response from the public. For one, developers were sceptical of the commercial viability of these shophouses, and doubted the feasibility for their successful adaptive reuse. Moreover, the 30-year lease tenures offered by the State for these properties were viewed as too short to justify the large investment required to refurbish them. While some conservationists called for the retention of traditional trades and services in the shophouses post-restoration as a means to preserve the vibrancy and identity of the precinct, it was highly unlikely that these businesses—many of which had simply ceased operations following the government’s acquisition of these buildings or relocated to locations away from the city centre—would be able to afford the redeveloped spaces.

The URA tried to address these concerns by setting up a Trade Allocation Committee to allow traditional businesses like clog makers to continue to rent the restored shophouses at reduced rates. However, this ultimately proved to be financially unsustainable as many of the traditional goods and services were no longer sought after by Singaporeans. Regardless, the URA made several attempts to prevent the erosion of local character and identity. It disallowed specific uses such as fast-food establishments, which tended to have storefronts that often visually jarr ed with the conserved streetscape and surrounding environment.

The conservation programme was able to promote knowledge, skills and expertise within the architectural fraternity in the area of conservation. In turn, the sale of conservation sites drew the private sector’s attention and interest to issues of conservation and, above all, promoted a lasting partnership between the government and the private sector to conserve Singapore’s built heritage.
1990s: Decentralisation of Commercial Activities

The 1971 Concept Plan was updated by the government in 1991. One of the key strategies articulated in the 1991 Concept Plan was decentralisation: specifically, this would entail the shifting of commercial activities and amenities away from the CBD to a hierarchy of regional centres, sub-regional centres and fringe centres across the island. The objectives of decentralisation included reduction of congestion and overcrowding in the CBD, and creation of job centres in suburban areas where the majority of Singaporeans lived.32


To achieve the objectives of the 1991 Concept Plan, businesses that did not require a city centre address were encouraged to shift to suburban areas. Through the GLS programme, land was tendered out in areas outside of the city centre, in hopes of dispersing economic activities outwards. This was the case in Tampines, the first regional centre to be developed. Financial institutions such as Overseas Union Bank and Tat Lee Bank, which successfully bid for sites in Tampines, moved their backend operations there.33 Sites were also offered along the city fringe at commercial hubs like Bugis and Novena. Developments such as Parkview Square at Bugis offered office space away from the heart of the city centre and helped to reduce overcrowding within the CBD.

Greater Variety of Private Housing Developments

The economy experienced a strong recovery after the recession. As household incomes recovered and continued to rise, more Singaporeans were able to afford higher quality housing, including many who chose to upgrade from public housing. Furthermore, the scope of the Residential Properties Scheme was earlier expanded in 1981 to allow working Singaporeans to use their Central Provident Fund (CPF) savings to purchase private housing.34 At the same time, a rapid inflow of expatriates added to the demand for private residential properties.

In line with these changes, the 1991 Concept Plan articulated a strategy of enhancing the supply and variety of new private housing developments. The goal was to achieve a 25% proportion of private housing in the long run, a significant increase from 9% at the time.35
Besides ramping up the supply of high-rise condominiums, there were also plans to increase the provision of landed housing. Leveraging Singapore’s tropical climate, the idea of waterfront living was promoted in the 1991 Concept Plan. Once again, the land sales programme played an important role in realising these objectives.

Prior to 1990, sites sold under the Sale of Sites programme did not include landed housing. As the proportion of landed housing fell over the years, the URA began to experiment with the concept of selling subdivided landed residential parcels earmarked for use as leasehold landed properties to developers. The URA piloted this at Kew Drive in the Bedok area, as it was an extremely large site, allowing it to be parcelled and subdivided into individual plots for sale to multiple homebuyers.

Although there were some risks arising from the complex preparation of land and participation of a large number of developers, the potential benefits outweighed these considerations. Through this mode of sale, there would be more varied and interesting architecture while the lower land premium per plot would attract a bigger pool of potential bidders. Moreover, the URA could still retain control of the overall housing mix and comprehensively master plan the entire site.

Launched in 1993, the sale at Kew Drive was a huge hit among developers. To inject more supply of landed housing, the URA used a similar approach to sell subdivided landed housing parcels at other estates such as Eastwood Park and Chuan Green.

To provide land for waterfront housing developments, land was sold at several locations including Tanjong Rhu, Robertson Quay and Bayshore Road, for high-density condominium developments. Among these, Tanjong Rhu was planned as the first waterfront residential enclave in Singapore.

With a history stretching back to the 1820s, Tanjong Rhu was developed as a marine yard due to its strategic position along the Kallang Basin. Worsening pollution over the years in the Singapore and Kallang Rivers led to the “Great Singapore River Clean-up” in 1977, to restore and redevelop the Singapore River and Kallang Basin. It was during this time that the government decided to relocate the existing boatyards and industrial activities at Tanjong Rhu and redevelop the area for upscale waterfront housing. This was put forth in the Tanjong Rhu Master Plan and later incorporated in the URA’s Master Plan for Urban Waterfronts.

After a long process of reclaiming and acquiring the land, and investing in basic infrastructure such as roads, drainage and landscaping, four large housing parcels were offered for sale in phases between 1992 and 1997, yielding a total of about 1,200 housing units.
Together with supply from private developments, the GLS programme helped to build up the cluster of waterfront housing at Tanjong Rhu.

Safeguarding Past Reserves

In 1991, the government introduced a series of constitutional safeguards to protect the country’s national reserves. One of these safeguards was to store the proceeds from the sale of State land parcels in Singapore’s past reserves, which refer to the reserves accumulated during previous terms of government. A “two-key system” was put in place requiring the government to seek the approval of the President in order to withdraw funds from the reserves. Still in practice today, this system ensures that the government of the day does not sell land indiscriminately in order to fund its immediate budgetary needs, but take a strategic and long-term view in regard to the sale of State land.

To safeguard the reserves, it is essential to ensure that the sale of State land yields optimal returns. As such, State land is sold at fair market value, which is deemed as the highest value received by the government through an open and competitive tender or auction process. Consequently, non-price criteria such as concept and design, which were important in earlier years, were only considered for more strategic sites in the land sales programme. The vast majority of land tenders were (and continue to be) awarded solely on the basis of price, to the highest bidder, as long as the winning bid exceeded the government’s Reserve Price.

The Reserve Price for each sale site is computed as 85% of the Estimated Market Value (EMV) of the site. The EMV is determined by the Chief Valuer, usually in consideration of the recent sale prices of similar land parcels in the vicinity. The EMV is computed prior to the tender closing of the site and independent of the bids subsequently submitted. In fact, the Chief Valuer submits his valuation of the site into the same tender box as all other bidders. All the bids would then be assessed against the Chief Valuer’s EMV. The decision to award the site would depend on whether the top bid exceeds the Reserve Price. In the situation where the highest bid is below the Reserve Price, the tender can still be considered for award. The Ministerial Tender Committee, in consultation with the Chief Valuer, will decide on the tender by taking into account various factors such as market conditions, site constraints and whether there are reasons to justify the awarding of the site.

Throughout the years, there have been some calls from developers to reveal the Reserve Price of GLS sites for greater transparency. This stemmed from cases where bids were rejected for being too low as compared to the Reserve Price. However, the URA’s previous attempts in making the Reserve Price known did not help the authority to achieve its land sales objectives. In 1992, the URA published the Reserve Price based on the Chief Valuer’s Estimated Market Value for an Orchard Road hotel site to guide developers in their valuations, as there was little prior transaction data. However, the site ended up not receiving any bids as the Reserve Price was deemed by developers to be too high. If the Reserve Price had not been disclosed, the bids could have revealed a clearer indication of the fair market value and the site could still have been awarded, despite falling below the government’s Reserve Price.

In another instance, the URA launched a sale of conservation townhouses at McNair Road in 1990. The sale was targeted at young professionals with the intention of giving them an opportunity to purchase landed properties. The Reserve Price was thus made transparent to guide inexperienced individual bidders in the bidding process. However this did not go according to plan. Far East Organisation, a private developer, hiked up its bid and managed to outbid everyone. None of the sites were won by individuals.
Hence, the Reserve Price is kept confidential to avoid influencing developers’ assessment of the market value or to discourage developers from bidding altogether. Instead, the government may exercise some flexibility in awarding tenders even if they fall below the Reserve Price by taking into account factors such as weak market conditions or site constraints. In such cases, the site may still be sold if there is a strategic need to facilitate their development in the coming years—for example, to catalyse the further development of the surrounding area over the longer term.

While the land sales programme supported decentralisation efforts in the 1990s, the new millennium saw the URA once again focusing on selling sites to rejuvenate the city centre. In part, this was due to the fact that many of the earlier developments completed in the 1960s and 1970s had started to age; by the early 2000s, the CBD was looking stale. It lacked office spaces with large floor plates and up-to-date infrastructure to meet the requirements of modern businesses such as financial institutions, which were looking for space to house trading floors and other operations. Compared to financial centres elsewhere like Canary Wharf in London, Singapore was falling behind and needed to act fast to retain its edge as a financial hub.

Fortuitously, the government had the foresight to start land reclamation at Marina Bay many years earlier in 1971. There was thus a sizeable tract of land near the existing CBD that was ready for development. Situated next to Shenton Way and Raffles Place, it was planned as a seamless extension of the existing CBD. The URA also planned for it to be a district that would not only house corporate offices but also a variety of residential, commercial and recreational uses.
For the development of Marina Bay, the URA introduced a new land-use zone called a “white” site, which gave developers some flexibility to decide on the mix of uses in line with their own market calculations (see Chapter 6). Encouraging more diverse, mixed-use developments through the white site approach complemented the URA’s vision for the city centre to be a round-the-clock destination.

However, with Singapore gripped by an economic recession during the Asian Financial Crisis, the URA was only able to release two white sites in the early 2000s, which the winning tenderers developed for office and residential uses.

The pace of development of office space in Marina Bay was perceived to be too slow, as more office space was urgently needed to establish the area as a new financial centre. The urgency of the situation was clear to the URA and Choy Chan Pong, who was then the Director of the URA’s Land Sales and Administration Group. He shared:

Selling the Marina Bay Financial Centre site was to me, almost a life and death matter in terms of the economy. Because we suddenly realised that the type and quality of office space in Singapore was way behind the curve when compared to those of major international financial centres.\(^{115}\)

To guarantee that there would be an available stock of modern office space by the time the economy recovered, a 3.55 ha site for a business and financial centre was offered for sale through the GLS programme in 2004. The materialisation of the financial centre was seen as essential to making Singapore a world-class financial hub. It was also the largest site to be put up for tender at that point. Given the strategic importance of the site as well as the sheer size of land parcel and premium, the URA, in preparing the planning parameters and tender conditions for the site, had earlier visited financial centres around the world to understand the needs of its users. This was translated into an array of innovations that were introduced in this sale.

Despite the gloomy economic outlook, the government managed to build confidence among developers, such that a total of nine bids were submitted. The site was sold to a development consortium in 2005, and the project completed in 2013, ahead of the Project Completion Period (PCP) deadline.

40. The Marina Bay Financial Centre is an integrated development with a Gross Floor Area of 438,000 m\(^2\).

39. Two white sites at Marina Bay were developed into office complexes: One Raffles Quay (left) and a private condominium, The Sail @ Marina Bay (right).
In Singapore, infrastructure services such as water mains, power lines and telecommunications cables are usually installed along roadsides or under road carriageways. When maintenance is required, the authorities access these lines and cables by digging up verges and roads. Marina Bay was an opportunity for planners to take a more innovative approach to installing these infrastructure services, because it was built on reclaimed land that had not previously housed any major developments.

Officers from various government agencies including the URA, Public Utilities Board (PUB) and Public Works Department (PWD) visited Japan in 1992 to learn about Common Services Tunnels (CST), which could house utilities like telecom cables, power lines and pneumatic waste pipes for the whole estate inside a concrete tunnel. This eliminated the need to dig up roads, and service cables and pipes could be more quickly and easily accessed for maintenance. Implementing the CST would bring about a more pleasant environment for its users and visitors of Marina Bay, and this would fit well with the vision for Marina Bay to be a liveable, attractive precinct.

The URA worked hard to conduct studies and receive buy-in from other agencies to adopt the use of the CST in Marina Bay. Spearheading the comprehensive planning and implementation of the CST, the URA was able to achieve their vision of having state-of-the-art infrastructure to serve Singapore’s future financial centre. The CST offered the opportunity to implement a District Cooling System (DCS) in Marina Bay as DCS pipes are laid inside the CST. A DCS is an area-wide network where chilled water for air-conditioning is supplied from one or more centralised chilled water plants through a network of piping to buildings in an area. With a DCS supplying chilled water, the buildings will not need to have their own cooling towers and chilled water plant room, which are essential components of the traditional air-conditioning systems of individual buildings. Not only would the DCS reap cost savings for developers, it could also result in better space utilisation, since it would free up space that would otherwise have been occupied by the chillers and cooling towers in individual buildings.

The URA had through the land sales tender worked with the successful tenderer of the first GLS site in Marina Bay (now developed as One Raffles Quay) to set aside a space integrated within the development to house the first DCS plant.

Successfully rolled out in phases starting with the first phase in 2006, the CST was the result of the combined efforts of many agencies, consultants and contractors. Through long-term and careful planning, developments in Marina Bay were able to reap many benefits from such infrastructural innovations.

41. Cables and pipes that serve developments in Marina Bay are laid underground in the CST (top). Then Minister for National Development Mah Bow Tan on a site visit to the CST (bottom).
To prepare for the sale of the Business and Financial Centre (BFC) site in Marina Bay, study teams were sent to successful global financial centres in New York, London, Tokyo and Hong Kong to understand the details behind their development.

To meet the needs of financial institutions, their offices were typically built on large floor plates of 2,000 m² to 3,000 m². The developments were also well-integrated with residential, hotel and entertainment amenities that were appealing to their workforce. The developments would be managed by master developers who were in charge of selecting the mix of uses and scheduling the various phases based on their analysis of the market. At Canary Wharf in London, the master developer went one step further by securing tenants ahead of construction and designing the buildings according to their requirements. These findings were in line with what the Committee were already considering, and the master developer approach was ultimately adopted for the site in Marina Bay.

One challenge was that a land parcel of this size was estimated to cost at least S$1.2 billion (in what proved to be a conservative estimate), a steep investment for private developers. Moreover, Singapore was just emerging from the recession of the early 2000s, and office vacancy rates were still rising, peaking at 17.9% in 2003. In such an economy, market interest in the site was far from certain. This compelled the URA, the agent appointed to conduct the sale on behalf of the State, to consult property developers, real estate professionals and academics to devise better methods of risk sharing with the private sector.

In addition to promoting the site at local and international real estate tradeshows, the URA also took the opportunity to seek the views of many developers. One key challenge identified was the difficulty of paying the total land premium within 90 days of being awarded the tender. Some developers suggested that the Singapore government could form a joint venture with private developers to develop the site. Others suggested implementing instalment payment schemes.

The eventual solution was for the site to be sold through an option scheme designed with the help of academics from the National University of Singapore. Instead of the usual terms requiring payment of the full land price within 90 days of awarding the site, a flexible payment scheme was introduced to reduce risk to the developer. An option scheme allowed the developer to buy the land in phases to match market demand. The payment terms were designed to mitigate development risk, while ensuring that the government was adequately compensated for safeguarding later phases of the land for future development by the successful tenderer.
To determine the key parameters of the option scheme, the URA made several key decisions on issues such as (i) the minimum size of the first phase of development that the developer must take up, (ii) the duration of the option period within which the developer must take up and pay for the remaining phase(s), (iii) the appropriate option fee, and (iv) the strike price, i.e., the price at which the developer would pay for subsequent phase(s).

The URA decided that the minimum size of the first tranche, which the developer was required to pay for in full, must be sufficiently large to ensure the construction of a meaningful and high-quality development on its own, even if the developer chose not to take up subsequent phases. This was set at 100,000 m² of the Gross Floor Area (GFA), about one quarter of the total floor area of the site.

The option period was the period within which the developer was required to buy the rest of the site not taken up in the first phase. This had to be sufficiently long to allow the developer to lower his risks, but not so long as to delay the completion of the BFC. The option period was set at 6, 8 or 10 years, with the option fee correspondingly raised according to the option period.

Additionally, a proportion of the option fee could be used to offset 3% of the cost of land for future phases. This would help to reduce the financial burden on developers. While the URA took great effort to price the option fee reasonably, bidders could also adjust their bid accordingly if they assessed the fee to be too low or too high.

<table>
<thead>
<tr>
<th>Option Period</th>
<th>Option Fee</th>
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<tr>
<td>6 years</td>
<td>6%</td>
</tr>
<tr>
<td>8 years</td>
<td>8%</td>
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<tr>
<td>10 years</td>
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The URA decided that the strike price would be varied in accordance with market price movements, to allow the government to share future risks with the private sector, since the strike price was tied to future changes in development costs.

The project, later named Marina Bay Financial Centre (MBFC), was constructed in two phases. The first phase was completed by the third quarter of 2010, and the entire development was completed in 2013, and officially opened in May 2013. The MBFC consists of three office towers, two residential towers and a retail space.

The URA’s then Director of Land Sales and Administration Choy Chan Pong led the sale of the MBFC site. For Choy, the project was an unforgettable experience:

I think the sale of the MBFC site was the crowning glory of my land sales career because it was so difficult—so very, very difficult. It was so huge and costly, but the economic conditions were so challenging. We had to introduce so many innovations; and do so many things that had never been done before in the world, not just in Singapore. But we managed to get the site sold and saw the development come up in a way that really met our expectations.¹⁶
Revitalising the Tourism Industry

In the early 2000s, growth in visitor arrivals and tourism receipts began to stagnate. Competition from neighbouring countries, coupled with events such as the September 11 New York terrorist attacks and Severe Acute Respiratory Syndrome (SARS) epidemic, had severely affected tourism in Singapore. To boost tourism and the economy, the government looked towards developing Integrated Resorts (IRs) in Singapore. The first of its kind in Singapore, the IR would combine leisure, retail and hotel facilities with a casino, world-class entertainment and convention spaces. The land sales mechanism was also used to implement the concept. The IR concept sparked interest from around the world. In 2005, a Request for Proposals (RFP) was launched for the IR to be built at Marina Bay. Twelve parties were invited to participate in the RFP. Of these, four investors submitted bids and the site was eventually awarded to Las Vegas Sands (see Chapter 6). The Marina Bay Sands development, as well as its adjoining ArtScience Museum, has become one of Singapore’s most iconic attractions. In its first year of operations, it received 19.6 million visitors and held almost 2,000 meetings, conventions and exhibitions.

The same approach was taken for the Sentosa IR in 2006. Genting International and Star Cruises, as joint venture partners, edged out two other participants to win the tender for the site, which they then developed into Resorts World Sentosa (RWS). Among other attractions, RWS includes the first Universal Studios theme park in Southeast Asia. The opening of RWS in 2010 led to a stunning increase in visitors to Sentosa, from 7.8 million in 2010 to 19.1 million in 2011.

Orchard Road, a once buzzing shopping belt, was also seeing a decline in popularity due to the rise of suburban shopping centres. Existing malls had little impetus to update their premises, and planners had to come up with ways to make Orchard Road attractive again. Over the years, the URA had deliberately kept some prime sites along Orchard Road undeveloped, opting instead to wait for the opportune time to release them to support national priorities and catalyse the rejuvenation of Singapore’s premium shopping district. Three sites were sold in 2005 and 2006. Connected to the Orchard and Somerset MRT Stations, the sites were well-received by the private sector, and resulted in the addition of ION Orchard, 313@Somerset and Orchard Central to the shopping belt. Facing increased competition from these new developments, neighbouring malls such as Paragon underwent refurbishment to keep up. Along with a S$40-million package extended by the government to enhance walkability along Orchard Road, the new retail offerings helped to restore vibrancy to the area.
DESIGNING ORCHARD ROAD: UNIQUE URBAN DESIGN CONDITIONS

To ensure an optimal experience for shoppers at Orchard Road, a series of special urban design guidelines were put in place over the years. These were adapted and included in the GLS site stipulations for the three Orchard Road sites sold by the URA, which had to be adhered to by developers.

The urban design conditions ranged from the need to incorporate public spaces and pedestrian linkages to the provision of activity-generating uses to create an exciting pedestrian experience at the street level. This was to ensure that the three new shopping mall developments were able to fit well with their surroundings and contribute to a unique visitor experience. Architects designing the new malls would also have a better understanding of the design requirements upfront.

Some guidelines that were unique to Orchard Road include allowing buildings to have dynamic pop-out façades within the building setbacks, as well as GFA incentives to encourage the provision of outdoor kiosks and alfresco seating fronting the pedestrian mall for greater street-side vibrancy. ION Orchard was one notable case where height restrictions for the site were lifted to mark its strategic location at a prominent junction in Orchard Road, as well as to draw greater interest from private developers. Today, the completed development stands 218 m tall with a retail podium and residential tower. The tender brief also called for the integration of cultural and civic uses in the development. Besides delineating public space to hold events at the street level, the development also has an observation deck, ION Sky, at its highest level where visitors are able to take in a 360-degree view of Singapore. For pedestrian accessibility, a public concourse was built alongside the existing MRT concourse, connecting ION Orchard to other shopping malls in the area through a network of underground walkways.

Beating the Office Crunch

While almost all non-industrial sites sold under the GLS programme are on 99-year leases, the URA also trialled the sale of land on shorter leases in the late 2000s. After a boom in the financial services sector led to a surge in office demand, occupancy and rentals were at an all-time high. However, the supply in the pipeline was insufficient to address the office crunch. The URA thus released sites with 15-year leases for transitional office use from 2007 to 2011. From a developer’s standpoint, this was a boon on two fronts: the leases were not so short as to make developing the sites unprofitable. Transitional offices, being low-rise buildings with simple designs, could be built much quicker than typical office towers.

The transitional offices were mainly located in city fringe areas such as Newton and Mountbatten. A total of seven transitional office sites were sold from 2007 to 2011, adding more than 70,000 m$^{2}$ of commercial space. These sites also added variety to the office space landscape by providing additional options for businesses that did not have to be located in the heart of the city centre. Together with other measures such as leasing out vacant State properties for interim office use, the government’s swift response to the office space crunch was welcomed by businesses.

45. The ION Orchard, an integrated retail and residential development, is located at the junction of Orchard Road and Paterson Road.

46. Mountbatten Square, a low-rise office development built on a site sold by the URA for transitional office space, was completed in 2009.
### EXHIBIT 4
**TRANSITIONAL OFFICE SITES SOLD.**

<table>
<thead>
<tr>
<th>YEAR OF LAUNCH</th>
<th>LOCATION</th>
<th>DEVELOPMENT</th>
<th>GROSS FLOOR AREA (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>Scotts Road</td>
<td>Scotts Spazio</td>
<td>15,666</td>
</tr>
<tr>
<td>2007</td>
<td>Tampines Concourse/Tampines Avenue 5</td>
<td>11 Tampines Concourse</td>
<td>11,520</td>
</tr>
<tr>
<td>2007</td>
<td>Mountbatten Road</td>
<td>Mountbatten Square</td>
<td>20,000</td>
</tr>
<tr>
<td>2008</td>
<td>Scotts Road/Anthony Road</td>
<td>UOB Kay Hian</td>
<td>13,024</td>
</tr>
<tr>
<td>2008</td>
<td>Scotts Road/Anthony Road</td>
<td>50 Scotts Road</td>
<td>13,557</td>
</tr>
<tr>
<td>2010</td>
<td>Mohamed Sultan Road</td>
<td>Sultan Link</td>
<td>9,285</td>
</tr>
<tr>
<td>2011</td>
<td>Mountbatten Road</td>
<td>223@Mountbatten</td>
<td>11,739</td>
</tr>
</tbody>
</table>

Source: Past Sale Sites, Urban Redevelopment Authority.

### 2010s: Moving Away from the Central Business District to Develop Regional Centres

After Tampines was established as a regional centre, decentralisation resumed as part of the 2008 Master Plan with the announcement of three new growth areas—Jurong Lake District, Paya Lebar Central and Kallang Riverside. Initial plans for the Woodlands Regional Centre were also released in the MND’s Land Use Plan in 2013. The decentralisation approach created more job opportunities outside of the city centre, and re-shaped these previously predominantly industrial and/or residential areas into more vibrant and diverse live-work-play environments.
The Sims Avenue site where Paya Lebar Quarter now stands is one of the few GLS sites that failed to find a buyer when it was first launched for sale. When it was first put up for sale in 2011, it received only a single bid. In addition to a poor market outlook, the lack of interest in the site was attributed to several factors. Developers were not yet confident that there would be enough demand for offices outside of the CBD, and Paya Lebar was an untested location at that time. The site was also constrained by a canal that cut across it, resulting in an odd site layout that posed additional technical challenges in terms of diverting the drain and expunging existing roads that compromised the contiguity of the site.

The sole bid of roughly S$566 psf (S$6,088 psm) ppr was assessed to be too low and was rejected by the government. It was 35% lower in value than a bid for a comparable site located nearby, sold three months earlier. The URA therefore moved the site to the GLS Reserve List, where it remained for a few years. It was only in the second half of 2014 that the URA reinstated it on the Confirmed List (see Chapter 5). This time the URA modified the sale parameters by packaging three land parcels together, thereby allowing the entire development to benefit from the connection to both the East-West and Circle MRT lines. The site area hence increased from 2.07 ha to 3.9 ha (from 20,700 m² to 39,000 m²), which also gave developers more flexibility in creating a critical mass of uses to kick-start the development of Paya Lebar Central. To make the site more attractive, the URA also inserted a provision allowing the developer to build residential units in the development. As the developer would be able to sell residential units off-plan, i.e., while the development was being constructed, the sale revenues could be used to fund construction and ease the developer’s cash flow.

These changes helped to make the tender more market-friendly to attract more bidders. At the close of tender, the top bid came in at about S$943 psf (S$10,146 psm) ppr, considerably higher than in the previous tender. Today, Paya Lebar Quarter, which opened in 2019, is a highly successful development that has revitalised the entire Paya Lebar District. Several companies have since shifted their operations from the CBD to Paya Lebar, supporting the government’s objective of decentralisation and bringing jobs closer to homes.
Piloting Innovative Integrated Projects

In recent years, the government has sold a number of GLS sites to facilitate the development of projects that integrate a range of residential, commercial, and civic and community functions.

With the rapid growth and development of Singapore’s regional centres, it has been important to provide a diverse range of amenities located in areas close to residents’ homes, so that they need not travel far to access them. The integration of multiple uses within a single development, particularly in a central location like the town centre or adjacent to an MRT station, maximises convenience to residents. Our Tampines Hub (which is not a GLS development) is a successful example of a mixed-use community development that integrates commercial, recreational, entertainment and government functions.

If left entirely to the open market and the absence of compelling incentives extended by the government, it is unlikely that such developments would be built by the private sector because of economic considerations and challenges such as the complexity of planning the allocation of these uses across a single site, and the need to engage with a wide array of co-locating partners.

The URA has therefore leveraged the GLS programme for this purpose. Upstream, the URA determines the combination of uses and their respective space requirements, often in consultation with other agencies, and finalises the planning and urban design parameters for the site. The URA then launches the site for sale, stating these requirements and parameters to prospective tenderers.

At the same time, the URA has to strike a fine balance to avoid being overly prescriptive and making the land sales conditions too onerous for the private sector. Developers are also consulted when the URA is drawing up unconventional tender conditions. Through this process, the final version of the conditions in the official tender document would have been refined and moderated by the URA such that they are considered feasible by developers. For sales involving uses that require inputs from multiple agencies, the URA works with these agencies as well as the developer even after the site is awarded, to ensure that they are able to meet the agencies’ requirements.

Sin Lye Chong, Group Director of Land Sales & Administration, shared that the URA would closely guide developers throughout and after the sale of a site in cases where there are new and complex tender requirements, to ensure that they are able to complete the development successfully.
Launched via a Concept & Price Revenue (C&P) tender in 2017, the Sengkang Central site required the developer to build a mixed-use development, which had to incorporate community uses like a hawker centre, community club and bus interchange. This was aimed at building a vibrant community hub for residents in the vicinity.

The evaluation of the concept proposal considered whether the developer had designed the layout and integration of amenities meaningfully, such as through seamless walkways and public spaces. The URA also assessed whether the essential technical requirements were addressed by the developer in order to successfully achieve the planning vision for the site.

Due to the multitude of amenities planned for the development, the Sengkang Central tender was far more complicated than a typical GLS tender. Many government agencies such as the Land Transport Authority (LTA), People’s Association (PA) and National Environment Agency (NEA) were involved in finalising the planning parameters for the site. This often resulted in conflicting requests as each agency understandably sought to have its facilities located in prime areas of the developments such as the ground floor, for maximum accessibility.

Before releasing the site for sale, the URA had to sort out the various requirements of the agencies and develop a preliminary scheme that demonstrated that it was possible to fulfil the tender brief. The developer was to build the public facilities and subsequently hand them over to the respective agencies to operate and maintain. It was also made clear in the contract that the successful tenderer would be reimbursed for the construction costs of these public facilities.

A total of seven bids were received for the site, signalling the private sector’s confidence in building complex sites with unconventional tender conditions. The strong interest in the site could also be attributed to the URA’s effort in engaging potential bidders and resolving conflicting requirements between multiple government agencies before stipulating them in the sales conditions. This successful tender has encouraged the URA to continue experimenting with the tender conditions for future land sales.

Hwang Yu-Ning, Chief Planner and Deputy Chief Executive Officer, URA, said:

I think developers are quite comfortable tendering for our land sales projects because they know that almost 99% of the requirements are stated in the brief, and that these requirements have already been discussed with and agreed to by all the different agencies. They can abide by the brief quite confidently, without having to open whole conversations with different authorities.

The site was subsequently awarded to a joint venture company formed by CapitaLand Singapore and City Developments Limited. The development is scheduled for completion in mid 2024.

An artist’s impression of the development, which will be integrated with amenities such as a hawker centre and community club.
Ramping Up the Supply of Affordable Private Housing

By the 2010s, the demand for private housing in Singapore was heating up. External factors such as the introduction of Quantitative Easing measures in the United States led to a decline in global interest rates, which reached record lows. The increase in Singapore’s population of expatriates during the 1990s and 2000s also boosted the demand for rental accommodations and, consequently, the demand for private housing by prospective landlords.

The first half of 2010 saw the government releasing the largest amount of land for private housing thus far through the GLS programme, amounting to 26 sites comprising a combined total of 10,550 units on the Confirmed and Reserve Lists. This was intended to curb the rapid pace of housing price increase, as well as assure prospective buyers that there was a healthy pipeline supply of private residential units in the market. The vast majority of GLS housing sites offered in the first half of 2010 and, indeed, in subsequent GLS programmes, were situated in areas outside the Core Central Region (CCR), including in suburban locations such as Punggol and Sengkang.

One of the ways in which the government sought to meet the demand for more affordable private housing by Singaporeans was to increase the supply of Executive Condominium (EC) units. In the first half of 2010, the government offered five GLS sites for EC projects. ECs are a hybrid of public and private housing targeted at households whose income exceeds the income ceiling for public housing but are unable to afford conventional private housing.

ECs are developed, marketed and sold by property developers. To keep them affordable, the government imposes a set of initial eligibility conditions and restrictions on the purchase and ownership of EC units. For instance, only Singapore Citizens who do not own any private property in Singapore or overseas, and whose average gross monthly household income does not exceed the prevailing income ceiling are eligible to purchase an EC unit from the property developer. This helps to reduce the land cost of the EC projects and their selling price. ECs are attractive options for higher-income Singaporeans and are especially popular with young families.

As housing demand remained resilient through 2010, the government continued to supply a large number of housing units through the GLS programme. In the first half of 2011, the URA offered around 14,300 units on the Confirmed and Reserve Lists, setting a new supply record.

In subsequent years, the government introduced various “cooling measures” to slow the pace of housing price increases by dampening the demand for housing, especially from investors and foreigners. For example, the Additional Buyer’s Stamp Duty (ABSD) was introduced in December 2011, imposing an additional tax on specific groups of homebuyers, including non-citizens and those who already owned other residential property.

The large supply of housing through the GLS programme in the first half of the 2010s, coupled with the cooling measures, helped to moderate...
housing demand. Consequently, the URA gradually reduced the GLS housing supply to a level of about 7,000 units from both the Reserve and Confirmed Lists for each half-yearly programme by 2016.\textsuperscript{48} To continue meeting the robust demand for affordable private housing by Singapore citizen households, the government maintained a strong supply of EC and suburban residential sites throughout the decade.

54. Private residential developments built on GLS sites sold during the market boom of the early 2010s include Eco at Bedok.

The land sales programme has thus helped improve accessibility to private housing for a new generation of middle-income Singaporeans, adding to the geographical variety of housing available and giving people more choices when selecting a home. This is also in line with the MND’s Land Use Plan to ensure a high-quality living environment for Singapore’s future population by providing good quality, affordable housing options to the people.\textsuperscript{49}

I think one of the very important features of our Government Land Sales programme is the fact that we are very good at integrating economic considerations with planning considerations.\textsuperscript{50}

LIM HWEE HOON
Director of the Land Sales & Administration Group, Urban Redevelopment Authority
As the national land-use planning and conservation authority, the Urban Redevelopment Authority (URA) has an overview of current new developments and planned supply across Singapore in the long term, and is able to effectively organise the land sales programme. As such, the URA is well-placed as the main Government Land Sales (GLS) agent, releasing sites strategically to fulfil planning objectives and ensuring there is sufficient supply to meet market demand. The URA also works closely with various agencies to determine the quantum and location of sites to be sold.

While the URA continues to administer the sale of the majority of GLS sites, other agencies also serve as sales agents. For instance, the Housing and Development Board (HDB) and JTC Corporation (JTC) conduct land sales for sites located within HDB towns and industrial sites, respectively. Previously held once every year, the frequency of land sales was increased to twice a year from 2000 onwards, in order to be more responsive to changing economic and market conditions. This enables the government to more frequently review and adjust the total amount of land made available to developers each year.

Information on the quantum and sites available are typically published in November or December for the GLS programme in the first half of each year, and in May or June for the second half of the year. Each announcement is highly anticipated by the real estate industry. For many market observers, the selected GLS sites and quantum of land in each programme also reveal the government’s current reading of the market, as well as its projections of how the market is likely to evolve.

Planning an Inventory of Future Land Sale Sites

Planning for the inventory of potential GLS sites is based on the needs of the Master Plan and market demand for various land uses. Potential sales sites are regularly selected from the stock of available State land. The land parcels are then attached to a timeline for implementation, which takes into consideration planning and economic priorities. These include executing development plans like the development of new growth areas and the revitalisation of older areas. At times, land sales may also be necessary to carry out economic development plans by economic agencies. For example, the Marina Bay Financial Centre (MBFC) was vital in attracting financial institutions to establish a presence in Singapore especially during the 2000s and 2010s, as a means to rejuvenate and expand the ageing Central Business District (CBD) and solidify the country’s position as a regional financial and business hub.

It is also important that the land sales process is well-coordinated with the development of public infrastructure so that these amenities are readily available once development is completed. Hence, the GLS schedule has to be rolled out in tandem with supporting infrastructure development programmes such as the construction of road and Mass Rapid Transit (MRT) networks.

The URA works closely with the Land Transport Authority (LTA) to ensure that the completion of GLS sites and MRT stations are well-aligned. For example, the sale of GLS sites in Sengkang Central (above) for commercial developments such as Compass One and residential developments such as Compass Heights was timed in consideration of the completion of Sengkang MRT and Light Rail Transit (LRT) stations.

The URA draws up planning parameters, detailed parcelling plans and urban design guidelines for the chosen sites. For specific sites, the URA may even carry out studies to simulate various options for their development—for example, the heights and locations of different buildings across the site—and determine the feasibility of each proposal. If required, additional essential infrastructure and services like sewage pipes and power lines are installed in and around the site, and encumbrances such as existing buildings, structures and vegetation are cleared.

Long-term planning sees that sites are prepared in advance such that they can be offered for sale on schedule.
Determining Land Sale Quantum

As more than 80% of land in Singapore belongs to the State, the GLS programme is the main source of supply of land parcels for new developments. Besides supplying sufficient land to meet planning objectives and market demand, the GLS programme helps to ensure stability in the property market. In the initial years of land sales, simple projection methods were used to decide on the quantum released in each programme. Since the 1990s, the URA has worked with other agencies to introduce more sophisticated projection models.

Projecting demand for each land use type is a whole-of-government effort, requiring input from various agencies, including the Department of Statistics (DOS), HDB, Singapore Tourism Board (STB), Monetary Authority of Singapore (MAS), Ministry of Trade and Industry (MTI) and Ministry of Manpower (MOM), on factors affecting demand such as population, employment and tourism. On top of that, the URA also has to take into consideration the agencies' strategies for specific economic sectors or social objectives. This information is then channelled towards producing projected demands for various market scenarios. After taking into account the planned supply coming in the pipeline and potential additional supply from private developments, the URA releases land through the GLS programme to meet the remaining demand.

In regard to the supply of residential sites, the Ministry of National Development (MND) works closely with the URA and HDB to determine the residential quantum to be released in each GLS programme.

First, the agencies calculate the long-term housing demand—the total number of private housing units required to accommodate Singapore's population over a planning horizon of several years. This process requires the agencies to consider variables such as housing needs and preferences of the population (for example, the tendency for specific demographic groups to reside in certain forms of housing) and average household size. A figure for the total projected private housing demand to be met by both GLS and non-GLS land sources (“X”) is thus obtained.

Next, the agencies determine the required supply of housing units from GLS sites. This is done by deducting from figure X statistics such as the (i) existing stock of private housing units, (ii) estimated stock of units that will be supplied from non-GLS sources, and (iii) supply of housing units in the pipeline, such as those already under construction. Added to this intermediate figure is an estimate of the number of units that will be demolished over the planning horizon (for example, due to en bloc redevelopment) and must be replaced. These calculations yield a gross number of housing units to be supplied through the GLS programme over the planning horizon (“Y”).

A site for a commercial and residential development at Potong Pasir was sold in 2014 and has been developed into The Poiz Residences.

A similarly rigorous and quantitative approach is used to determine the supply of land for other developments such as offices and hotels. Agencies consider details such as the existing and upcoming stock of office space and hotel rooms, and the total supply of such spaces required to sustain and grow Singapore’s commercial, tourism and other economic sectors over the long term, in order to decide on the additional supply of such space to be offered through the GLS programme.

Incorporating Flexibility Through Confirmed and Reserve Lists

Despite a rigorous demand projection process, the amount of new commercial and/or residential space supplied may not fully match market demand. In part, this is due to the large number of factors considered by the URA and other agencies, e.g. number of building demolitions, new housing supply from non-GLS land parcels, and the fact that these variables may not materialise as projected.
The URA therefore maintains a “Reserve List” system as a safeguard against the under-supply of commercial and/or residential units in the market. Unlike sites on the Confirmed List, which are launched and sold on schedule (unless the top bid for a site falls below its Reserve Price), a site on the Reserve List is only offered for sale through tender if a developer submits an application to trigger its launch. If developers expect the demand for commercial and/or residential units to exceed the pipeline supply offered through the GLS programme and non-GLS sources, they can apply to purchase Reserve List sites.

Developers do so by offering a minimum price that they are willing to bid in a tender and by paying a deposit. The site would be released for tender if the bid exceeds the government’s Reserve Price, or if there are multiple submissions from unrelated parties that are close to the Reserve Price, indicating sufficient market interest. In such tenders, only the committed minimum price would be revealed while details on the developer who submitted the bid are kept confidential. Moreover, the developer who had triggered the release of the Reserve List site for sale must submit a bid that is no lower than the minimum price offered, or face a forfeit of the deposit paid.

The Reserve List system thereby injects an element of flexibility in enabling developers to initiate the additional supply of commercial and/or residential units in the market, in line with their assessment of near-term demand. The system thus plays an important role in providing stability to prices and rentals in the property market.

The introduction of the Reserve List in June 2001 was timely as Singapore was in an economic downturn after the dot-com crash. Four months later in October 2001, the land sales from the Confirmed List was suspended and land was only made available through the Reserve List in hopes of curbing excess supply. The Reserve List approach proved useful and the URA announced in June 2004 that it would become a permanent feature of the GLS programme. The suspension of the Confirmed List lasted until 2006, and during this period, the government depended solely on the Reserve List for new land sales. The second time the Confirmed List was suspended was in 2009 in the wake of the global financial crisis. This was intended to give the private sector time to adjust to the economic conditions.
59. In 2015, a developer purchased a residential site at Lorong Lew Lian from the GLS Reserve List. The site has been developed into Forest Woods, a condominium project.

At the same time, the URA is also cognisant of the fact that it would not be prudent to fully rely on developers to decide on the supply of land from GLS sources to the market, such as by only selling sites on application. Despite having the flexibility of the Reserve List, the URA also found that a complete suspension of the Confirmed List was not ideal. When faced with high uncertainty and risks such as in an economic crisis, developers could be discouraged from triggering sites on the Reserve List. At the same time, with no supply being pushed out to the market via the Confirmed List, there would not be enough supply to meet growing demand when the economy recovered since there was a lag time of three to four years before new projects were completed. This was the case from 2001 to 2005, when property market conditions were subdued.

The government is careful not to callously constrict or increase the supply of land in line with immediate changes in broader economic conditions. This exerts a stabilising impact on the market, as developers can be assured that the government will not completely cut off land supply even during periods of an impending glut in a way that may prompt developers to frantically over-bid for available land parcels, leading to large spikes in property prices.

There is also the fact that the URA often offers land for sale on precisely calculated timelines to catalyse the development of specific parts of Singapore in order to meet specific long-term planning objectives, for example, to support the decentralisation of amenities and housing options away from the Central Area, or to optimise the use of new infrastructure in new growth areas. As private sector developers are profit-driven entities and primarily concerned about demand for new properties in the immediate term, these land parcels may end up being unsold under a solely application-based land sales system. This is why the URA engages developers regularly to also share its longer term planning strategies so that they can better appreciate the potential of sites that are offered for sale.

60. A condominium development at the Jurong Lake district, a key regional centre in the western part of Singapore.

Chief Executive Officer and former Chief Planner at the URA Lim Eng Hwee was involved in several land sales exercises over his 30 years at the authority, and emphasised the importance of taking a broader perspective in selling land for development:

The government may lose out if it looks at things solely from the revenue or land premium perspective. There may be periods when developers feel that it may not be the best time to roll out new sites for sale. But the government is ultimately not a developer that primarily aims to maximise its profit. Instead, it stands prepared to take a broader and longer-term perspective in order to ensure that medium-term outcomes and a more stable property market are achieved.
Preparing the Sale of GLS Sites

After the mix of sites is determined for each GLS programme, comprehensive planning and preparation work begins for each site. This comprises checking on infrastructural and services provisions, finalising tender conditions and conducting soil tests and surveys.

Prior to the launch of each GLS site, the URA also engages the Members of Parliament (MPs) of the constituencies in which each site is located, to find out if there are potential concerns relating to the construction of a new development there. This gives the MPs an opportunity to share concerns from their constituents’ perspectives, and various issues may be raised such as potential traffic congestion, loss of greenery, as well as the amenities and infrastructure needed to support the increased number of residents from new residential developments.

Where possible, the URA incorporates requirements aimed at resolving the problems conveyed by MPs in the tender conditions. For example, the URA may require the developer to widen existing access roads to and from the site, retain existing trees and other forms of vegetation, or even construct a publicly accessible path through a section of the site to enable pedestrians to access nearby transport amenities. This process avoids creating problems downstream when issues are often harder to resolve especially since the developer would already have a plan set in place.

61. In the sale of a site along Upper Paya Lebar Road for a private residential development, the URA required the developer to construct a publicly accessible pathway along a section of the site boundary, to enable pedestrians to easily access Bartley Road, at the back of the development.

Marketing GLS Sites

Promoting the GLS programme is crucial as this provides clear and transparent information to all potential bidders in the real estate industry, and promotes competition among developers. This in turn enables the government to obtain a fair and optimal price for the site. Promotional materials include brochures, press conferences and advertisements, but since the 2000s, the URA has also taken part in international roadshows such as the SWIFT Interbanking Operations Seminar (SIBOS) and the Marché International des Professionals de L’Immobilier (MIPIM) to promote specific GLS sites. These events attract global participants from the financial and real estate sectors, allowing the URA to market strategic GLS sites such as the Business and Financial Centre at Marina Bay to an international audience.90

62. Land sales brochures of sites sold in the 2000s and 2010s.
MARKETING THE MARINA BAY FINANCIAL CENTRE

The marketing of the Marina Bay Financial Centre (MBFC) site in Marina Bay was particularly memorable for the URA's land sales unit led by then Director of Land Sales and Administration Choy Chan Pong. In the early days of the development of Marina Bay, the land sales team visited key markets such as New York, London, Tokyo and Dubai to seek out potential developers.

The URA's marketing approach at these events then was quite modest. For example, one of the first attempts at promoting the site was at the 2002 run of MIPIM. The team had only a small exhibition booth and only one panel to exhibit Singapore's plans for Marina Bay. The booth was also located in an obscure location next to a washroom.

But the site nevertheless proved to be a huge draw. The team managed to engage many developers from around the world, including Hongkong Land.

At first, the Hongkong Land representatives expressed some scepticism about the feasibility and profitability of the development, given its large size and high land premium. Moreover, Hongkong Land had just clinched a premium commercial site in Singapore—One Raffles Quay—which it was in the process of completing. Given that many global financial institutions had already entered Singapore and taken up office space, they were also doubtful if there would be further demand for prime office space.

But the Hongkong Land representatives, like many others, were won over by the URA's sales pitch, including its compelling and long-term vision to develop Marina Bay as a vibrant work-live-play district and an extension of Singapore's CBD. It participated in the land tender as part of a consortium that ultimately developed the MBFC.

63. The URA showcasing Marina Bay at the MIPIM (top) and the SIBOS (bottom).
In Singapore, the URA’s land sales team regularly engages the private sector on its land use and development plans, as a means to share its planning vision and promote interest in future sale sites. These meetings are also a chance to hear from private sector developers, in order to understand the opportunities and challenges facing the real estate market. For example, the URA held fortnightly meetings with developers to understand their problems during the Asian Financial Crisis, and engaged them on possible interventions that the government could consider to support the industry and the housing market. Director of Land Sales, Lim Hwee Hoon, and her team regularly speak to players involved in the GLS programme to gather feedback on issues such as the sales approach or proposed mix of uses for particular sites.

I think we are also very good at engaging the private sector. We have a very close working relationship with developers, with QPs [Qualified Persons], architects, engineers, and so on. From them, we obtain a lot of feedback that helps us in planning the Government Land Sales programme.

The URA also maintains open channels with developers, such as through the Real Estate Developers Association of Singapore (REDAS), a key industry association. Through REDAS, developers can provide feedback to the URA on market trends and developments, enabling the authority to design and calibrate the GLS programme to be more responsive to market trends.

Government Land Sales is a mechanism for selling land, but how the final development materialises depends a lot on the controls that the planners impose on each sale site, including the technical conditions of tender. These controls ensure that the planning vision for each site is translated into an actual development, which also needs to meet market demand and interests.

MARC BOEY
Former Group Director of Land Sales and Administration, Urban Redevelopment Authority
The URA maintains a range of options for how to sell a Government Land Sales (GLS) site. The choice of sale mechanism depends on various factors, such as the planning objective for the site and its intended use. The sale options include: price only tender, auction method, Concept & Price Revenue (C&P) tender and Fixed-Price Request for Proposal (RFP).

**Price Only Tender**

Since the protection of reserves framework was adopted in 1991, the open tender has been the most commonly used method of land sales under the GLS programme. The tender is open for at least four weeks from the time a site is launched for sale. Interested bidders have to deposit a sealed envelope with their bid price and a tender deposit of 5% or more into a tender box located at the URA Centre by 12 p.m. on the date of the close of tender. Bids are then assessed based solely on price and awarded to the highest bidder, as long as the offer satisfies the government’s Reserve Price, which is calculated as 85% of the Estimated Market Value (EMV) of the site, as determined by the Chief Valuer.165

A site at Upper Pickering Road was sold for hotel use via a price only tender in 2007. It was developed as the Parkroyal Collection Pickering hotel and features generous landscaping.

**CRITERIA FOR THE AWARD OF GLS SITES FROM THE 1960s TO 1980s**

Since 1967, the criteria for awarding land tenders included not only price, but also design and projected economic returns. However, in the initial land sales exercises, sites were awarded to the highest bidders, as standards of design were largely comparable.

It was only in the third Sale of Sites programme in 1969 that the authorities accorded greater weight to the design criterion, in the sale of a residential site at Outram. Among the submitted bids, one architectural design, submitted by local architect Tan Cheng Siong of the firm Archurban Architects Planners, stood out above the others, which were mostly slab block designs that resembled typical public housing flats of the time. Tan’s proposal featured a distinctive tower with a horseshoe shape.

However, the developer that had commissioned Tan to design the development had submitted only the third highest bid. Then Head of the Urban Renewal Department (URD) Alan Choe felt that the proposal’s design merit far outshone the others, and sought to convince his superiors in the land and finance agencies to award the site to the developer. For Choe, this was a good opportunity to demonstrate to the public and the real estate industry that the government was committed to promoting and supporting good architectural concepts.

Choe recalled that he had faced many questions from his colleagues in the finance ministry, including on whether he could adequately publicly defend a decision to award the site to the third-highest bidder on the sole basis of design merit. He shared:

"Behind my back, they must have been investigating my ties to the developer or architect and whether or not I had any kind of personal stake in the project, to figure out why I was pushing for this tender award."166

Eventually, Choe succeeded in winning over the government, which supported his proposal to award the tender to the developer. Tan’s visually striking design statement was realised as Pearl Bank Apartments, a landmark example of tropical Brutalist architecture. The successful sale of the Pearl Bank site also made it possible for the URD to award more sale sites on the basis of concept, in part because the industry saw the importance that the department placed on this factor and sought to submit stronger design proposals.
Pearl Bank Apartments stood on Pearl’s Hill for 44 years until its demolition in March 2020. For instance, the developer Singapore Land tendered for four sites in Marina Centre released in the seventh sale in 1978. It submitted a proposal to create an integrated development with hotel, residential and commercial uses designed by local firm DP Architects and American architect John Portman. However, its bid was significantly lower than the highest. Nevertheless the URA assessed that its concept proposal was the most outstanding one, and best fulfilled the planning objective for the sites, which was to provide quality tourist-centred accommodations and amenities beyond the existing tourist hub of Orchard Road. The URA therefore awarded the sites to Singapore Land, which developed them into a large complex comprising a shopping centre—Marina Square—and three hotels, all directly connected to each other. The project was completed in 1986.

The Marina Square integrated development includes a mall and three hotels—the Mandarin Oriental, Parkroyal Collection Marina Bay and The Pan Pacific Singapore.

This approach was also apparent in the eighth Sale of Sites programme in 1979 where 5 out of 23 sites were won by those with lower bids but excellent designs. By 1980, the tender evaluation process was clearly set out, underscoring the importance of awarding satisfactory designs. In addition, a bidder with a lower offer but outstanding design could be asked to top up his bid to the average of the top three tenderers before being recommended to be awarded the site. A Design Panel convened by the URA to review design proposals also refined its evaluation process over time, eventually settling on a point-based system to enhance objectivity and transparency. These developments formed the basis for a rigorous, objective and transparent tender evaluation framework.
While urban design requirements are included in the sale conditions for a site, there may be instances where greater attention to design is necessary for highly visible sites. In such cases, a Design Advisory Panel (DAP) may be set up to guide the successful tenderer, so as to achieve the desired quality of architecture and urban design for the area.

Each DAP is chaired by the URA and made up of experts from both the public and private sectors. The DAP is involved in two stages of the development process. First, before the developer receives planning permission, the DAP would evaluate broad urban design components such as form, massing, pedestrian connectivity and landscaping. After planning permission is granted, the DAP would examine architectural design elements like building layout, building materials and finishes.

One example where the DAP had improved the developer’s proposal is ION Orchard. Being located on a prominent site at the corner of Paterson Road and Orchard Road, it was essential that the building had exceptional design. The developer had initially proposed an “orchard” concept where the podium represented “seeds and fruits” and the residential tower symbolised a growing “shoot”. To better translate this metaphor into reality, the DAP recommended that the tower take on a more organic form. The panel also proposed the possibility of a curved glass skin fitted with LED lights for the retail podium’s façade, creating a seamless and eye-catching media screen. These proposals were adopted by the developer, and fully incorporated into the final design of the development.

The use of auctions for land sales was first proposed by the Real Estate Developers Association of Singapore and later piloted by the URA in 1993. During an auction, sites are released one at a time. Starting at the opening bid price, bidders would raise assigned identification number cards to signal their acceptance for a site at prices called and offered by the auctioneer. The site is awarded to the highest bidder.

The auction mode of sale is used when there are likely to be many potential buyers and similar sites offered, such as for the sale of conservation shophouses, small residential parcels and heavy vehicle parks. While no two pieces of land are exactly the same, these sites are largely comparable to one another. Auctions are beneficial in these circumstances as developers can go on to bid for another site if he fails to win one particular site. Developers are also able to secure contiguous parcels by continuing to compete for sites in an open process.

The auction mode of sale is very different from the open tender approach, wherein developers have only one chance to select the sites they would like to bid for. The auction approach also better enables less experienced bidders like individual buyers and small developers to purchase State land parcels. In part, this is because the open bidding process gives all participating parties knowledge of how prospective buyers value each site offered for sale.

In general, the auction mode of sale allows the government to obtain a fair market value for each piece of land that is sold, because of the competitive nature of the auction process. But there are some disadvantages to this mode of sale. For example, participants could get carried away and over-bid for sites, then subsequently pass on the higher land cost to buyers or tenants in the form of inflated prices or rents. Additionally, due to the open nature of the auction process, collusion among participants may potentially arise, leading to price-fixing or manipulation.
The URA therefore uses the auction mode of sale judiciously, for example, when it is certain that there will likely be a large number of potential bidders for a particular site. For one, this would reduce the likelihood of collusion among bidders to depress the sale prices. The auction approach has been used on only 30 occasions since the start of the GLS programme, the last in October 2010 for a series of landed housing sites at Sembawang Greenvale.

**Sale of Small Subdivided Landed Residential Parcels**

The sale of landed residential parcels at Kew Drive (a residential enclave located in the Bedok planning area) in 1993 was the first time that such subdivided landed housing parcels were sold by the government. The Kew Drive sites were sold in three separate phases. The URA had initially considered conducting auctions to sell these sites, but eventually decided to launch the first two phases of sites via the more established and straightforward open tender approach. Although the tenders attracted keen interest and participation from individuals and small developers, bigger and more established developers managed to secure most of the sale sites.

By the time the third phase came about, the URA had gained experience with the auction process through the sale of conservation shophouses in 1993. Nevertheless, there was still some uncertainty about the auction process, such as whether it would indeed enable smaller market players to secure sites. There was also the practical consideration that it would take several days to auction and sell all 64 parcels offered in the third phase; this would require substantial manpower and other resources from the URA, and it would also be exhausting for the bidding parties.

The URA thus devised a hybrid approach. In the first stage, the URA offered 20 of the 64 parcels for sale through auctions conducted over a two-day period. Thereafter, in the second stage, the remaining 44 parcels, together with any of the initially auctioned 20 parcels that had failed to sell, were sold via a tender. The sale prices of the auctioned land parcels provided some indication to tenderers in the second stage about the market prices of these parcels and hence, the amounts they should offer for these sites.

Contrary to expectations, large developers did not take part in the auctions at all, possibly to avoid being seen as driving up prices. Another reason was that it was difficult for their representatives to make bidding decisions in a fast-paced auction without consulting their superiors.

69. A variety of landed housing designs was achieved at Chuan Green.
Compared to the previous phases, more small developers and individuals were able to secure sites, meeting the URA’s objective of getting more varied designs and participation in land sales. This dual approach has been used in other land sales involving small, subdivided landed housing parcels, such as Eastwood Park, Chuan Green and Sembawang Greenvale.

**Concept & Price Revenue Tender**

On occasion, the URA sells GLS sites through a Concept & Price Revenue (C&P) approach wherein submitted bids are assessed on the basis of both price and design concept. This approach is used when the URA wants to ensure that the final development has a high standard of planning and architectural design. There are various reasons for this. For example, the development is intended to serve as a strategic attraction to catalyse further development or rejuvenation of a specific precinct, or a landmark project to spur the growth of specific economic sectors. In addition, there may be cases in which the site has a complex layout posing specific planning and/or design challenges requiring a sophisticated level of planning and construction.

For all GLS sites, the URA prescribes various planning parameters that developers must fulfil in their final developments. These include basic stipulations on land-use and building intensity as prescribed on the Master Plan. There may also be other planning requirements such as those pertaining to building height, access points and general site layout. Decisions on elements such as architectural style, concept and design are largely left to developers. In the case of some sites, the URA may intervene by requiring developers to finalise their architectural schemes in consultation with a URA-convened DAP. This takes place only after the site is sold.

Under the C&P tender approach, tenderers are required to submit their concept proposals and tender prices in two separate envelopes. A Concept Evaluation Committee (CEC), convened and chaired by the URA, will first evaluate the concept proposal against the evaluation criteria. The preparation of a design concept proposal for GLS site tenders can be time-consuming and expensive. The URA typically expects developers to submit detailed drawings, design reports and even physical models of the final development. Because sites sold through C&P tenders are often intended for landmark projects, many developers expend large sums of money to prepare quality proposals, including engaging famous local and overseas architects to prepare detailed design concepts. Feedback from the private sector has indicated that such tenders can be costly—assembling a team to put together a comprehensive application could cost as much as $1 million.

Still, C&P tenders tend to attract enthusiastic participation, with some developers even submitting multiple concept proposals per site. As sites selected for C&P tenders are usually located in prime locations and intended for high signature “iconic” developments, many developers are keen to develop these sites in order to enhance their portfolio of real estate projects.

For its part, the URA provides developers clear information on the tender evaluation criteria and considerations, including the respective weights assigned to elements such as design concept, developer's track record and adherence to the URA's planning brief. The URA also conducts briefing sessions for prospective tenderers to explain its expectations and address any questions that they may have on planning and design requirements.

After the close of tender, the CEC assesses the submitted concept proposals. Each tenderer is required to present and explain its design concept to the CEC. Beyond allowing the CEC to better understand each developer's plans, the presentation is also an opportunity for the CEC to suggest possible enhancements that would enable the proposal to better satisfy the URA’s planning vision for the site, especially if the proposal were to end up winning the tender. After the presentations, the CEC scores each concept proposal against a set of criteria that could include development concept, urban design and quality of architecture.

Only concept proposals that substantially satisfy the evaluation criteria will be shortlisted by the CEC for the second stage of the tender evaluation. At the second stage, only the price envelopes of proposals with acceptable concepts will be opened for consideration. The site will then be awarded to the tender with the highest bid among those with acceptable concept proposals, so long as the tendered price does not fall below the Reserve Price for the site.
Unlike in a conventional price-only tender, the proposal with the highest bid does not necessarily win the tender for the site. Moreover, the site may also not be awarded to the developer that submits the highest scoring design concept. But the C&P approach ensures that the winning proposal is one that features a reasonably high, if not excellent, standard of planning and design, without compromising on the government’s prospective yield from the sale of the site.

That said, the URA has introduced a modified version of the C&P tender wherein developers with the strongest design concepts may be offered the option of topping up their bid price to match that of the highest tenderer. This will be piloted at upcoming sales exercises for sites at Kampong Bugis and River Valley Road.171

Hwang Yu-Ning, the URA’s Chief Planner and Deputy Chief Executive Officer since 2017, has served on a CEC in several C&P tenders. She recalls:

The toughest part is deciding on the schemes that will go through to the second round, and those that won’t ultimately make it. We have to be very careful in making this decision because our recommendations must be fair to all tenderers. At the same time, we must be comfortable seeing any of the schemes we shortlist actually being developed on the ground.172

The URA first introduced the C&P tender in 2004 for an “urban entertainment centre” in the Bras Basah.Bugis (BBB) district. The development was envisioned to comprise distinctive uses such as cinemas, thematic restaurants and film studios, fitting into the BBB precinct which was planned as an arts and entertainment district.173 The site was eventually developed as Iluma (now known as Bugis+), which includes a variety of retail and entertainment outlets, and a cinema.

In subsequent years, the C&P system was also used to sell other sites in the city centre such as Fullerton Heritage, South Beach and Capitol Theatre, all of which were planned as mixed-use complexes incorporating new buildings with historically significant structures that had to undergo adaptive reuse.

In more recent years, the URA has also been selling more GLS sites in suburban areas through the C&P tender system. In Hillview Rise, for example, the C&P tender approach was used to nudge developers to propose higher productivity construction concepts, while in Sengkang Central, the approach sought to realise a well-planned commercial development that was integrated with a range of community facilities to meet the needs of local residents.174

71. Both the South Beach (left) and Fullerton Heritage (right) parcels were sold via a C&P tender that required tenderers to conserve existing heritage-rich buildings and structures on site and incorporate them into the final development.

70. The Bugis+ development.
Impressive Concept Submissions in the Concept & Price Revenue Tender: Capitol Theatre

One notable Concept & Price Revenue (C&P) tender exercise was the sale of a site at North Bridge Road in 2010. The land parcel housed three heritage buildings—Capitol Theatre and the adjoining Capitol Building, and Stamford House—which were for conservation and adaptive reuse.

In particular, the neoclassical Capitol Theatre was a cinema opened in 1930 that was well-loved and visited by generations of movie-goers. However, the building had aged and ceased operations in 1998.175

In 2008, the URA packaged the three buildings into a larger land parcel and offered it for sale through the GLS programme as a single integrated site for a commercial project.176 The plan was to give these heritage buildings a new lease of life, and to capitalise on the site’s prime location in the city centre with direct connection to the City Hall Mass Rapid Transit (MRT) station to realise a successful and vibrant development.

The URA’s planning conditions included: restoring the three heritage buildings, restoring the conserved Capitol Theatre into an arts or entertainment-related performance facility, and incorporating a hotel that would take up at least 25% of the Gross Floor Area (GFA) of the site. Developers could also propose the inclusion of retail use, as well as a residential component that would enable them to start selling units prior to the completion of the project and raise revenue to fund construction.

As part of the C&P tender for the site, the CEC assessed each proposal based on criteria such as the composition and placement of uses, quality of architecture and the overall development concept.

Despite the complex tender brief, the site saw keen participation from the private sector, attracting 14 submissions, including those from reputable local and international architecture firms.

The URA’s current Chief Executive Officer Lim Eng Hwee, who was then the Chief Planner and member of the CEC for the tender, recalled:

Local developers, foreign developers, local and international consultants were all involved, and it was quite an amazing series of proposals. The submissions from the bidders, including design models and drawings, filled the entire large function hall at the URA Centre.177

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The URA displayed all 14 concept proposals at the URA Centre to the public and architectural community, showcasing the innovative ways architects integrated the new and old aspects of the buildings. Eventually, the tender was awarded to a consortium of partners comprising Chesham Properties Pte. Ltd., Perennial Real Estate Pte. Ltd. and Top Global Limited, which featured a concept designed by prominent American architectural firm Richard Meier & Partners. The development was opened in 2015 with the retention of iconic features like the Capitol Theatre’s dome with its intricate design of the 12 zodiac signs, and the creation of a new central public piazza for outdoor events with a covered atrium linking various components of the development. It won the 2016 URA Architectural Heritage Award as an example of successful restoration and innovation.

The Fixed-Price Request for Proposal

The Fixed-Price Request for Proposal (RFP) approach is adopted when the URA requires a development’s design and concept to meet a rigorous standard of excellence, and cannot be compromised for price considerations. This rarely used approach has been applied to sites that are expected to generate significant economic spin-offs and investments for Singapore.

In such sales, a land price is determined and announced before developers are invited to submit concept proposals. To ensure that the government still receives a fair market value for the site, the price is subject to approval by the President who is advised by the Chief Valuer. Unlike in a C&P tender where price is a decisive criterion in awarding the site, the price is fixed in an RFP, and the government focuses on selecting the most outstanding design and concept for the development.

Sale of Integrated Resorts

In planning for the development of Integrated Resorts (IRs) in Singapore—one at Marina Bay and another on Sentosa—the government envisaged that these developments would contribute substantially to Singapore’s economic growth. In quantitative terms, the IRs were expected to generate S$1.5 billion in Gross Domestic Product (GDP) per year and create 35,000 jobs. Planners had envisaged the Marina Bay IR to be a key destination for meetings, incentives, conventions and exhibitions (MICE) events, complemented by entertainment facilities and landmark public attractions. The Sentosa IR was envisaged to be a large-scale tropical tourist destination for families.

The government had anticipated that if prospective bidders were to compete for these sites on the basis of price, they would pack as many revenue-generating uses and amenities in the developments. But the URA had planned for these developments to include a variety of community and other publicly accessible uses such as museums and event spaces.

To ensure that the tourism outcome, economic spin-offs and planning and development objectives can be achieved, the government thus fixed the land prices of these sites and clearly stipulated requirements for the provision of various tourism amenities, planning and investment requirements. It adopted the RFP method to sell these two sites, via a competitive international land tender process.
As the IR development with a casino and several integrated uses was unprecedented in Singapore, it was a difficult task working out the appropriate land prices for the two sites. The URA engaged professional valuers Knight Frank (Singapore) and CBRE (Las Vegas) to tap on their combined respective knowledge of the local property market and expertise in dealing with similar IRs overseas. Taking into account the various cost components of the development and the potential revenue earned, the team arrived at a land value of S$1.2 billion for the Marina Bay IR site and S$605 million for the Sentosa IR site.

To provide potential bidders with clarity on the desired outcomes of the two IR developments, the government devised clear evaluation criteria and specified the weightage given to each criterion. Briefing sessions were held for each of the sale exercises to explain the conditions, requirements and other aspects of the tenders, and to address queries from prospective bidders.

The RFP for the Marina Bay IR and Sentosa IR was launched in November 2005 and May 2006, respectively. The six-month gap between the two sales launches was intended to allow unsuccessful bidders in the first sale to take part in the second.

Given the extensive marketing and high-profile nature of the two projects, the two IRs received high-quality submissions from both local and international developers. Each concept proposal was crafted to an outstanding level of detail, setting new standards for future RFPs and C&P tenders. Bidders also had to make two presentations—one to the tender evaluation committee (TEC), and another to a ministerial committee, reflecting the importance that the government placed on the successful implementation of these projects.

Lim Eng Hwee, who was then the URA’s Assistant Chief Planner and Director of Physical Planning, recalled the sale as a valuable and unforgettable experience. For one, some of the developers had engaged famous personalities, such as film director Steven Spielberg and retired football player Pelé, to develop and promote their concept proposals, even having flown them in to participate in the tender presentations. Lim added:

For the Sentosa IR, the submissions were not merely a case of someone coming to the URA and dropping their envelope into our small tender box. Each submission was transported by a container truck, rolling up to Sentosa Island and then unloaded over the course of several hours. We set up a studio and spent countless weeks, weekends and nights going through each submission.
Developments in the strategically located Marina Bay were also subject to a special set of urban design guidelines. These include stepped-up building heights by having low-rise developments along the waterfront, and higher developments set further back from the bay, ensuring waterfront views are accessible to as many building residents and tenants as possible. The planning of low-rise developments along the waterfront promenade also offers a more human-scale experience to pedestrians, joggers and other visitors to the Bay.

Due to its large size and central location in the precinct, the Marina Bay Financial Centre (MBFC) site had elaborate tender conditions exceeding what was typically required. Seamless connectivity with other developments and the promenade around the bay was to be provided through a major underground pedestrian mall. It was also important that the development was visually and physically porous so as not to block views of the bay for buildings further away. Strict guidelines were also imposed for open spaces, even down to specifying the exact plant species for landscaping.

To be more sensitive to the existing scale and setting of the neighbourhood, one example is the sale of high-density residential sites at Pheng Geck Avenue adjacent to landed houses. The urban design guidelines ensured that there is a low-rise zone immediately fronting the landed houses and high-rise towers were sufficiently set back from the landed houses as well as well-spaced out to avoid creating a wall of tall towers. There may also be requirements on developers to conserve or retain structures of heritage significance on the site, erect public infrastructure such as covered walkways and access roads at the site perimeter, or even retain mature trees.

Through a clause in the sales conditions, successful tenderers are also given the flexibility to propose alternatives to the planning and urban design requirements specified. The URA then decides whether to accept the proposed deviation by evaluating if the original planning intent is satisfied and if a better outcome is attained.

Moreover, urban design can also steer developments to create a certain character envisioned for the precinct. One notable example is the cluster of condominium developments at Tanjong Rhu, in the southern part of Singapore. When Singapore first began urban redevelopment, most buildings were designed in Western architectural styles, which were popular at the time but failed to reflect the city’s tropical characteristics. Therefore, separate planning and urban design guidelines were prepared for Tanjong Rhu to reinforce its identity. A “new indigenous and tropical” style was adopted with a focus on access to waterfront views by controlling building form and providing view corridors. The URA also prescribed that all developments feature clay roof tiles, producing a distinctive and uniform look for the area, marking it as a visually arresting waterfront residential enclave.

Implementing Planning Innovations Through the Government Land Sales Programme

The Government Land Sales (GLS) programme has provided an opportunity and platform for the URA to implement innovative planning approaches in Singapore. Two examples of such innovations are the white site and Master Developer concepts, both of which involve close partnership with the private sector.
White Sites

Built by the colonial authorities, the China Square district was one of the first urban areas in Singapore. The URA thus started planning for its revitalisation early on in the 1980s. Land use was to be optimised by conserving about half of the existing shophouses and buildings and selling the other half of cleared sites with higher plot ratios. The URA was aiming to inject vibrancy and encourage a larger live-in population in the Central Business District (CBD)—which, although bustling during working hours, emptied out at weeknights and on weekends—by selling the sites for residential and hotel developments.

However, there were concerns that developers would not be attracted to building such developments in the CBD, given that the profitability of such uses in the office district was still untested. To address this concern, the URA decided to extend flexibility to developers to propose different combinations of land uses for the China Square sites, which would be based on their calculations of market demand. This was what led to the creation of the white site, which was gazetted as an official form of land use in the Master Plan. Another incentive granted to developers of white sites is that they could make changes to the various uses during the term of the lease without having to pay differential premium, which is a fee imposed by the government for changing the approved use (or one of the approved uses) in a development to one that is of a higher value. In this way, the developer is better able to vary and revise the combination and allocation of uses on the site, in accordance with its market calculations at different points in time.

Out of the seven parcels sold within China Square, three were designated as white sites. Launched in phases from 1995 to 1997, the tenders allowed for the sites to be built for commercial, residential and hotel use, and attracted great interest among developers. However, when left largely to the developers to decide on the mix of uses, none of the sites ultimately included the hotel and residential uses that the URA intended. Instead, developers fell back on the tried and tested route of allocating more space to offices, retail outlets and restaurants.

In the years that followed, the URA retained the white site concept, but worked on refining and improving the approach to its implementation. By 1997, the URA had zoned several as yet undeveloped land parcels in the Marina Bay district as white sites. As with its planning intentions for China Square, the URA wanted to develop Marina Bay—an extension of the existing CBD—into a vibrant work-live-play destination that featured a diverse range of uses to draw visitors at all times of the day.

Eateries and bars occupy many of the restored shophouses at China Square.
In the sale of the MBFC site, the URA prescribed a broad control on the distribution of office space vis-à-vis other uses. In this case, at least 60% of the GFA could be used for office space, with the rest allocated to a range of other uses. The MBFC was developed into a successful, well designed mixed-use development comprising a range of retail and other commercial outlets. But the URA felt that there was scope to be more prescriptive in approving the combination of uses for the site. For one, Marina Bay still lacked a hotel development that could meet the needs of business travellers in the CBD.

An opportunity arose with the sale of the Asia Square parcels—both of them white sites—in 2007. In this tender, the URA stipulated that the developer must allocate at least 60% of the GFA for offices, and a minimum of 25% of the GFA for hotel use for one of the parcels. The Asia Square development, which fully opened in 2013, now houses the luxury hotel Westin Singapore.

A useful learning point for the URA in creating the white site concept has been that the market calculations of developers do not always align with planners’ objectives for a district. Profit-driven developers can be expected to build according to the uses that bring the highest commercial value, but these may not be the types of uses that best meet planners’ objectives for the overall development of specific areas. Identifying the right balance of flexibility and regulation is key. Choy Chan Pong, the URA’s former Group Director of Land Sales, said that white sites are now often sold with a metaphorical “shade of grey”, wherein the URA imposes some requirements on the provision of certain uses and corresponding GFA allocations.

The Master Developer Model

At times, the URA launches GLS sites of a significant scale for sale to a single developer (or a consortium of developers). These sites are much larger than those more typically sold through the GLS programme. The intention is for the winning tenderer to master plan and develop the entire site, usually in phases.

There are several advantages to the master developer approach. Most notably, the developer would be able to achieve a high degree of integration across the entire development site, ensuring better connectivity across individual buildings and structures across the site. From the urban design perspective, there would be a more coherent and consistent visual quality. When a single developer undertakes the master development of a large site, there are opportunities to implement planning features that may only be feasible on an extensive scale. These include precinct-level infrastructure such as a district cooling system and pneumatic waste conveyance systems to serve multiple buildings and spaces across the site, and other innovations such as the creation of a car-lite district through developing a comprehensive network of pathways and cycling paths.

In 1988, a 11.7-ha (117,000 m²) site in Marina Centre was sold under the master developer approach for Singapore’s first purpose-built international exhibition and convention centre, now known as Suntec City. The development was aimed at strengthening Singapore’s role as a global and regional business hub, and also includes a diverse range of office and retail uses.

The site was of strategic importance to Singapore, given its intended role in boosting the MICE sector. Moreover, it was of an extensive scale and would occupy a prime location in the city centre. There was therefore a need for a careful and comprehensive assessment of the bids received.
Hence, in addition to the bid prices submitted, the URA considered the tenderers’ track records and expertise, and the quality of their proposed development concepts and plans. Given the URA’s expectation that the winning bidder would be the master developer for this site, the assessors of the submitted proposals paid special attention to the degree of cohesiveness and integration across the various buildings and functions.

The site was ultimately sold to a consortium of 11 Hong Kong developers. In consideration of the site’s size and scale, the URA extended the project completion period from the usual 5 years to 10. The development, when completed in 1997, was the largest mixed-use project in Singapore at the time.

The sale of master developer sites is relatively complex and calls for the careful planning of sale parameters to balance the URA’s planning objectives while minimising business risks for developers. As such, the URA uses the master developer approach very selectively.

Most recently, in 2019, the URA announced that a 8.2-ha (82,000 m²) site at Kampong Bugis would be made available for sale to a master developer through the GLS programme. The master developer would be required to create a master plan that is aligned with the URA’s vision of a sustainable, car-lite residential precinct that emphasises community building through public spaces. The site would be sold through a C&P tender process to ensure a high quality of urban planning and design.

As was previously employed in the sale of the MBFC some two decades prior, the URA developed an option scheme to reduce the initial capital outlay to the developer, thus reducing its business risks. The intention was to make the site more marketable to developers. Instead of paying the entire land premium for the site upfront, the master developer would only be required to foot the land premium for the portion of the site which would be developed in the first phase—no smaller than 68,000 m² and no larger than 127,500 m² of residential GFA—and an option fee that would serve as a commitment to purchase the remaining part of the site. The Kampong Bugis site was launched for sale on the Reserve List of the GLS programme for the second half of 2019.

Paying for Land

In the early years of the Sale of Sites programme, the government extended generous financial incentives such as property tax concessions and a land premium installment payment scheme to spur developers’ participation. These “sweeteners” lowered barriers of entry to the purchase and
development of State land parcels, contributing greatly to the rejuvenation and redevelopment of Singapore’s city centre.

But these incentives also yielded some negative effects. Most notably, some developers that were able to purchase State land parcels but did not have sufficient financial resources to see the projects through were forced to sell off their land to other developers to complete them.

A range of other factors also prompted the government to review the financial incentives granted to developers seeking to participate in the Sale of Sites programme. For one, these incentives were initially granted as a means to foster the growth of Singapore’s fledgling real estate development sector during the 1960s and early 1970s. By the mid-1970s, however, the sector had taken off in tandem with Singapore’s economic development, and many homegrown developers like Far East Organization and City Developments Limited (CDL) had expanded into successful, flourishing enterprises.

The scale of Singapore’s development needs had also begun to shift. In the early years of the Sale of Sites programme, the government sold relatively smaller sites in the city centre for standalone office buildings, hotels and other commercial developments. In the second decade of the programme, the government was releasing more land for larger scale, higher quality developments, including mixed-use complexes that required a high degree of careful planning and conceptualisation.

It became increasingly apparent to the government that the earlier financial incentives were shedding their relevance. If a developer had to rely on a property tax concession and attractive instalment scheme to purchase a GLS site, then it probably should not be participating in the programme in the first place. Besides, the GLS programme had become a pillar of Singapore’s real estate development industry and attracted steady and active participation from many developers, including overseas firms.

In 1974, the government withdrew the property tax concession granted to developers of GLS sites (12% per annum, as opposed to the standard 36%), considerably tightened the instalment payment scheme by introducing an interest rate of 8.5% per annum, and raised the upfront payment from 20% to 25% of the land price. Incremental changes in the same direction were made in subsequent years.195

The early 1980s, however, saw a period of sharp decline in the property market. This prompted the URA to grant a moratorium on instalment payments for GLS projects in the pipeline, easing the cash flow concerns of developers. Nevertheless, there were a few developers that were still unable to survive the recession despite help from the government. Some filed for bankruptcy and their land parcels were sold to other developers during the liquidation process.

For instance, a site at Eu Tong Sen Street that had been sold to the developer People’s Park Chinatown Development was sold to CDL after the former went bankrupt;196 CDL took over the land parcel and completed the Chinatown Point development in 1990. Likewise, construction for two sites awarded to the Harapan Group during the ninth sale was suspended for five years when the company ran into financial difficulties. They were subsequently sold by the creditor bank to Pontiac Land Group, which resumed development work and completed the mixed-use project as Millenia Singapore, comprising office, retail and hotel space.197

These examples highlight the fact that the purchase of a GLS site is as much a financial risk as it is an opportunity for developers. Over the years, Singapore’s open economic posture has fostered the growth of a vibrant property market that experiences cyclical pressures and substantial volatility. Against this context, even the most established developers face substantial business risks in undertaking the development of a GLS site.

In the early years of the Sale of Sites programme, the government extended several financial incentives that effectively absorbed some degree of risk faced by developers. These incentives, including the instalment payment scheme, prevailed well into the 1980s, and helped many developers tide through the serious recession experienced by Singapore in the middle years of that decade.
Alluding to the nature of the real estate industry as a “risky business” and the government’s role as a key player in it, then Member of Parliament (MP) Tan Soo Khoon in 1986 memorably described the GLS programme as a “property casino” with the URA playing the role of the “banker.”

The instalment payment scheme was eventually removed in 1988; since then, developers have been required to pay the full land price within 90 days of being awarded the tender. This guarantees that developers only bid for sites if they have the financial capacity to see through the entire project. Developers are also required to retain a controlling interest of at least 50% of shares in the company established to develop the site until completion. This is so that a tenderer does not bid for GLS sites for speculative trading purposes. (An exception was only allowed in 2001 during the recession following the dot-com bust. Developers with existing GLS projects were allowed to dispose of their shares on the condition that there remains a shareholder that has a majority share of over 50%.)

Khoo Teng Chye, the former Chief Executive at the URA, was involved in many of the reforms to tighten up the tender process and prevent abuse of the system. He said:

“In working with markets, the trick about urban governance is you must be able to create the right environment for the private sector. And creating the right environment means you must know how to tailor your policies to the circumstances. By the time we reached the 1980s, the policies had to be tailored to reflect the change.”

Ensuring the Timely Completion of GLS Projects

The amount of residential and commercial space supplied through the GLS programme is carefully planned in anticipation of the occupation demand for housing and commercial units respectively in the medium term, or about four to five years, depending on the expected period of construction. In this way, the GLS programme plays a critical role in maintaining the stability of prices and rentals in Singapore’s real estate market.

It is also for this reason that the government maintains a range of safeguards to ensure that developers complete GLS projects in a timely manner, so that residential and commercial units are made ready for occupation within an appropriate time frame. These safeguards are also intended to deter developers from purchasing GLS sites and hoarding them without undertaking any development on them, as a way to game
the market by releasing units for sale only when they expect prices to rise further in the future.

Each GLS sale site has a stipulated Project Completion Period (PCP) in the tender conditions, which developers have to comply with. After the award of the site, the developer is expected to complete construction and obtain a Temporary Occupation Permit (TOP) for the development by the end of the PCP. An appropriate duration for the PCP is established by considering the time needed for planning approval and construction, and includes a buffer of one to three years. The PCP for most GLS sites stretches to five years; for larger sites, the PCP can stretch to seven years or even beyond, depending on the expected complexity of the planning and construction process, and size or scale of the development. The government also conducts regular reviews on the durations of PCPs by analysing the actual completion period of past sale sites, ensuring that they remain reasonable to developers.

Besides mitigating unnecessary project delays and the hoarding of land by developers, the PCP also plays a role in influencing the rate of supply of new housing and commercial units from upcoming projects. In 2010, the URA reduced the PCP for most GLS sites from six to five years since almost all developers were able to complete the projects within five years. The shortened PCP would also facilitate a timely completion of planned supply to meet the surge in demand for private residential property that arose in mid-2009.

Conversely, extending the PCP in bearish times could help delay the completion of new housing and commercial units. Such a move could have a stabilising effect on the market because these units, if left vacant, could further exert a depressing effect on overall prices and rentals. For example, during the Asian Financial Crisis of 1997 when the housing market suffered a deep recession, the URA extended the PCP for residential developments from between four to five years to eight years as a means to slow down and space out the completion of new housing units and prevent an oversupply.

The URA may also grant PCP extensions to developers when it assesses that there are valid and compelling reasons to do so. There are two key considerations: whether the delay was unanticipated, or the result of factors beyond the developer’s control. For example, the progress of some GLS projects may be affected by the implementation of public construction works close to the site. That said, in cases when the URA does grant a request for PCP extension, it informs the developer that efforts must be taken to address and work around the delay in an efficient way.

These extensions are usually ad hoc and site-specific. However, on rare occasions, blanket PCP extensions may be granted to developers on practical grounds. Most recently, in May 2020 and October 2020, the government extended a blanket PCP extension for all residential, commercial and industrial sites in consideration of the disruptions to construction activities that arose as a result of the COVID-19 pandemic.

### Moving to the Extension Premium System

When the Sale of Sites programme was established in 1967, developers unable to meet the PCP were made to pay liquidated damages amounting to 2% of the land price for each calendar month of delay. Exceptions were only granted if the delay arose from valid technical causes such as the discovery of underground encumbrances. If there were valid reasons, developers could apply to the URA for a PCP extension without financial penalty.

In the early 1990s, the URA initiated a review of the penalty imposed on developers for failing to meet the PCP. Internally, the URA had assessed that the concept of “liquidated damages” as applied to such cases was legally problematic. The URA could face legal challenges from aggrieved developers arguing that it is difficult to conclusively prove that a developer’s delay in completing a GLS project would lead to material “damages” to the State. For example, it would be challenging, if not impossible, to quantify the reduction in tourism revenue due to a delay in the completion of a hotel site, much less prove that this amounted to 2% of the land price per month. The URA sought the opinions of an external team of lawyers, as well as a Queen’s Counsel. Both parties reached the same conclusion: the PCP penalties, if enforced, could prove to be legally contentious.

The URA also studied the experience of other jurisdictions such as Hong Kong, which had a long history of land sales. Hong Kong’s approach did not require proof of damages. In place of liquidated damages, developers for failing to meet the PCP. Instead, Hong Kong’s approach did not require proof of damages. In place of liquidated damages, developers who were unable to meet the PCP were made to pay liquidated damages amounting to 2% of the land price for each calendar month of delay. Exceptions were only granted if the delay arose from valid technical causes such as the discovery of underground encumbrances. If there were valid reasons, developers could apply to the URA for a PCP extension without financial penalty.

The URA subsequently replaced the liquidated damages system with an extension premium scheme with effect from 1 May 2000. Learning from Hong Kong, the rates would increase with each year of delay. Starting at a steep 8% of the land price per annum, the rate would double after the first year and in the third and subsequent years of extension, the rate would increase to 24% per annum. The new extension premium scheme plugged the earlier legal loophole while retaining the intended deterrent effect on developers. This incident clearly illustrates the value of regularly reviewing, revising, and refining the various mechanisms in the GLS system.
Mandating Public Engagement by Developers

In recent decades, many Singaporeans have expressed concerns about how new developments, particularly those that are constructed in their neighbourhoods and surroundings, will affect their living environment and quality of life. For example, the raising of a new condominium development on a formerly forested land parcel could remove a much cherished green space for recreation and enjoyment, and the development of a new commercial complex could exacerbate existing traffic problems at certain times of the day. In the more immediate term, the construction of these developments could expose residents to noise, dust, and other forms of discomfort.

Generally, development plans for the medium-term are incorporated in the statutory Master Plan for which consultation and engagement are carried out to obtain feedback from the public before the Master Plan is gazetted. Nevertheless, to strike a balance between the implementation of development plans and addressing the concerns of local stakeholders, the URA introduced a set of public engagement requirements for developers of selected GLS sites. Taking effect in 2014, these requirements include measures such as the distribution of flyers to inform nearby residents of the plans for the future development, and the creation of a telephone hotline for them to provide feedback on any aspect of the plans. These requirements are communicated to all prospective tenderers prior to the launch of the site for sale and are imposed as conditions of tender to which the winning tenderer must abide following the sale. They are not imposed on all GLS sites, but only on those which construction is likely to affect surrounding stakeholders. Sites that are located in areas at some distance from existing residential areas, for example, are generally excluded from these requirements.

In preparing its public engagement plan, the developer is also compelled to consider how the project is likely to affect local stakeholders. This process thus encourages the developer to exercise greater sensitivity in designing and planning the construction of the project. The developer must obtain the URA’s approval for its public engagement plan, and the successful implementation of this plan is a requirement for the subsequent obtaining of planning approval for the project. The URA also expects the developer to keep residents and other stakeholders updated on the progress of the project through follow-up flyers.

When these new tender conditions came into effect in 2014, Lim Hwee Hoon, Director of Land Sales at the URA, shared that they initially faced pushback from developers who were worried that objections and other forms of criticism from stakeholders could result in delays to the completion of their developments. To address developers’ concerns, the URA clarified that there is a clear range of issues on which developers are required to seek stakeholders’ comments on—among them site layout, construction schedules and noise-mitigating measures which are within the control of developers.

Since 2014, developers have become increasingly familiar and comfortable with the public engagement process. In some way, these requirements have fostered a greater consciousness among developers on the value of public consultation, and in sharing their plans more proactively and transparently with surrounding stakeholders. Hearteningly, there have even been developers that have done more than is required, such as convening dialogue sessions with residents. Following the introduction of these requirements, the number of complaints from the public in regard to the development of GLS sites has declined substantially.
The growth of the Sale of Sites programme to what it is today has been spectacular. For this I have to give great credit to my successors—they did a better job than I did. I laid the foundation for the programme but they took it to a much higher level.205

ALAN CHOE
General Manager,
Urban Redevelopment Authority (1974-78)
The Government Land Sales (GLS) programme has played a central role in enabling the government to meet its planning objectives for Singapore, and to help facilitate the stable development of the property market. Each step of the process, from planning to implementation, is meticulously designed and implemented by the URA and other government land sales agents. Since 1967, the government has sold sites for more than 1,700 developments through the GLS programme. Unquestionably, the GLS programme has helped to shape and define Singapore’s skyline and built environment.

Building Up New Growth Areas

In the coming years, the Urban Redevelopment Authority (URA) is planning to leverage the GLS programme to promote the further development of commercial nodes like Paya Lebar Central, Jurong Lake District and Woodlands Central, which will support the government’s longstanding strategy to promote the decentralisation of business, commercial and other functions away from the city centre. To ensure that these nodes feature high-quality developments, the URA is planning to make use of the Concept & Price Revenue (C&P) tender and master developer approaches in these areas. A majority of the land parcels are also zoned as white sites, providing developers some flexibility to plan and build new projects in line with their expectations of demand for various uses, allowing these developments to better reflect the needs of the market.

The C&P tender, master developer and white site approaches also enable the GLS programme to more effectively tap on the knowledge, expertise, innovation and capabilities of the private sector to realise successful and high-quality developments. These approaches also reinforce the inherent nature of the GLS programme as a public-private partnership.

New GLS Products to Meet Evolving Needs

The URA is also planning to sell GLS sites for niche uses to meet the evolving needs of Singapore’s residents. For example, as Singapore’s population continues to age, there will be a need to address the housing needs of seniors. To this end, the URA and MND have been working with the Ministry of Health and other relevant agencies to pilot new forms of housing for seniors, which would be twinned with care services and complemented by greater communal space provisions to encourage the formation of communities of mutual care and support among residents. Both the public and private assisted living pilots seek to cater to the needs of seniors with a range of housing preferences. These developments require specific urban design and planning features and may also require other contractual interventions to ensure that they are properly maintained and operated in the long run.

There are also opportunities to sell pockets of State land for which there are no immediate development plans for interim use on shorter leases. Such sites would be intended for developments that are modest in size and scale, and would not require a significant capital outlay due to the relatively short duration of the lease. This would lower the upfront cost of developing a State land parcel and may attract the participation of a wider and more diverse array of entrepreneurs to realise innovative and creative commercial, residential, community and other projects.

![Marina Bay](image)
With the outbreak of COVID-19 in Singapore in 2020, the URA is also considering innovations to the urban planning process, which would strengthen the country’s resilience, particularly in the areas of public health, wellness and liveability. The COVID-19 pandemic has also thrown a spotlight on pressing planning-related issues, such as the need to accommodate telecommuting, recreational, and commercial uses within the local community. What kinds of planning and design parameters would be essential in addressing these needs? The GLS programme will play a key role in shaping our future developments in this regard.

**A Never-Ending Cycle of Improvement**

“The GLS programme has evolved a lot over the years, with many innovations and improvements. The pressure was always on me to improve the programme, and adapt to the times.”

—Choy Chan Pong, former Group Director of Land Sales, Urban Redevelopment Authority

The land sales programme has been an essential tool supporting Singapore’s progress by adapting the sites it sold according to the country’s needs at different stages of development. In the years following independence, land sales were concentrated on creating jobs for economic growth. Once urban renewal was less of a priority, land was then sold for uses such as private residential housing and conservation. To maintain competitiveness, Singapore then used land sales to promote tourism and position itself as a financial and business services hub in the 2000s. As Singaporeans grew more concerned with the cost of living and quality of life, affordable private housing and decentralisation became some of the mainstays of the GLS programme in the 2010s.

The sale of State land parcels has played a key role in ensuring that the use of scarce land in Singapore is optimised. Despite the achievements of the land sales programme thus far, the GLS programme will continue to innovate in response to ever-changing circumstances of the market and evolving national priorities. There will be new ideas and better ways in which to administer, manage, and carry out the sale of State land parcels. As Singapore faces new disruptions, the GLS programme is one key mechanism to co-create solutions together with the private sector.
To achieve a quality living environment, Singapore has always emphasised an integrated approach to planning and development. The integration of land sales as part of the planning and development process is an important instrument that allows us to translate visions and strategies into reality.

As the State’s land-use planning authority and main land sales agent, the Urban Redevelopment Authority (URA) facilitates planning, social and economic outcomes through the Government Land Sales (GLS) programme. By incorporating carefully crafted parameters for sites launched for development, we are able to fulfil the planning visions of sites and new growth areas. This is to the credit of the innovative and integrated approach to planning introduced by Singapore’s urban planning pioneers like Alan Choe, that remains relevant today.

To keep up with the times, the GLS programme has undergone numerous innovations since its inception. The URA has boldly introduced novel ways of selling GLS sites over the years, including the Concept & Price Revenue tender, auction and master developer approach, all with the aim of bringing more high-quality developments and growth areas to citizens, businesses and the community. When developing new precincts like Marina Bay and Kampong Bugis, we introduced a flexible payment scheme, i.e., option scheme that allows the master developer to phase the development to match market demand. In addition, we have pushed for new development concepts through the GLS programme to optimise the use of our limited land. These include integrated transport or community hubs, which are now found across Singapore.

By working closely with the industry, we are experimenting with new ways of selling land to achieve high quality development outcomes. For instance, the Concept & Price Revenue tender approach for two sale sites at Kampong Bugis and River Valley Road has been tweaked to give tenderers with exceptional concept proposals an option to top up their bids and secure the sites for development. Through continuous improvements, we provide opportunities for developers and the industry to propose and implement fresh and innovative ideas.

The Jurong Lake District (JLD) will be one of our key focus areas as we plan ahead to implement infrastructure in tandem with developments to cater to businesses and emerging sectors, and shape a distinctive district for living, working and recreation.

In the coming years, we look forward to partnering the industry to develop JLD as well as other growth areas to create a vibrant and liveable city. As new trends affecting urban planning emerge, we will continue to tap the industry’s expertise and creativity to better plan and develop Singapore, and seek innovative solutions that will benefit the community. The GLS programme, which has been instrumental in shaping our city skyline and urban landscape, will continue to play an important role in this respect going forward.

This Urban Systems Study provides a comprehensive account of how the GLS programme originated and evolved over the years, and its important role in the planning and development of Singapore; and looks at ways it could be enhanced to suit the needs of our city.

Lim Eng Hwee
Chief Executive Officer
Urban Redevelopment Authority
1962
United Nations (UN) consultant Erik Lorange reports that Singapore is ready for urban renewal.

1963
The UN KAK team visits Singapore and makes further recommendations for urban renewal.

1964
Formation of the Urban Renewal Unit.

1966
Land Acquisition Act is passed.

1967
First Sale of Sites programme offering 14 sites for sale.

1974
The Urban Redevelopment Authority (URA) is formed as a separate statutory board focusing on urban renewal.

1987
First sale of conservation shophouses.

1988
Removal of the installment payment scheme for land sales.

1991
A “two-key” system is put in place to safeguard past reserves and land sales proceeds.

1993
First sale of small subdivided landed housing parcels.

1995
First sale of white sites where developers have the flexibility to decide on the land use types.

2000
Land sales frequency is changed from an annual to a half-yearly basis to be more responsive to the market.

2001
Introduction of the Reserve List system.

2005
First Concept & Price Revenue (C&P) tender sale for an Urban Entertainment Centre (Bugis+).

2014
The public engagement process for GLS sites is improved by mandating developers to keep residents updated on development plans.

2019
An announcement is released for a C&P tender at Kampong Bugis and River Valley Road where outstanding concept proposals are given the option to top up the bid to the highest bidder.
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