



The changing face of downtown

Are the state and private sectors talking to one another? And what about the people?

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Am Adel sits outside the large red building that occupies the corners of Adly, Emad Eddin and Abdel Khalek Tharwat streets, referred to as the Halawa building but officially known as the Davies Bryan building.

The building's brick walls are getting a fresh coat of red paint, while the building itself stands surrounded by massive scaffolds that occupy most of the pavement. Despite being submerged in this change as his chair sits between two metal rods extending upward, the doorman seems uninterested. He declares this all to be part of the government's plan, but says that it has no effect on him, the infrastructure of the building itself or the residents.

Even though the building is owned by the private real estate company [Al-Ismaelia](#), the paint job is being done by the Cairo Governorate as part of the municipality's ongoing plan to renovate downtown Cairo. This building represents one of the rare moments where Al-Ismaelia's and the governorate's plans overlap, though they both have strong interests in downtown.

The plan to refurbish downtown was originally initiated around the year 2008 with a government plan titled [Cairo 2050](#), which was conceived in cooperation with the Ministry of Housing, the state-owned General Organization for Physical Planning, the World Bank, the UN Development Program and the UN Human Settlements Program.

Cairo 2050 included a plan to "evacuate Cairo's unsafe areas, and de-densify informal areas," and was criticized for wanting to displace a large number of residents in order to build tall skyscrapers and take advantage of downtown's high property value.

However, with the outbreak of the 2011 revolution and the subsequent security vacuum, the government had to halt the plan to change the face of downtown, and the area was left in the public's control. But as order is steadily restored to the streets of downtown and across Egypt at large, plans to renovate downtown Cairo are in motion once again. They are already visible with fresh coats of paint on old buildings, painted sidewalks and a massive flag in the middle of Tahrir Square, as well as tighter security, restriction on parking and the [forced removal of street vendors](#).

There are different stakeholders taking part in downtown Cairo's facelift, from the governorate to nationalized insurance companies to the private sector. But they do not necessarily have a shared vision, nor an open dialogue as to what will become of downtown. Meanwhile, the public remains on the outside with little to no information on the renovation plans and where they would fit into them.

"The governorate is everything," proclaims Central Administration of the Cairo Governorate head Saeed al-Bahr, who supervises the downtown development plan. "It's the entity behind the whole project."

Bahr explains that the Cairo Governorate is currently working on 15 locations in the greater downtown area — places such as Talaat Harb Square, Alfy Street and Borsa. Municipal officials put together a group of consultants and are supervising the refurbishing process.

One of the head consultants is Soheir Hawas, who explains that project is guided by “a highly sophisticated cultural vision vested in restoring the cultural front of Khedive Cairo as a historical area.”

Hawas says that for the past two years, the governorate has been holding weekly meetings on Wednesdays at 8 am to discuss downtown’s development plan. She lauds Cairo Governor Galal Saeed for his efforts, particularly in clearing out downtown from street vendors, something Hawas thought would be “impossible to accomplish.”

Hawas designed and oversaw the refurbishing of Alfy Street, the buildings on Abdeen Square and Tahrir Square, and the area atop the Tahrir parking lot.

Saeed “enabled us to apply what we were teaching at university,” she says.

She explains that downtown Cairo has long been regressing, with the original tenants leaving their apartments, certain jobs or trades coming in and depreciating the value of the area, and building owners being bought out by private companies.

Private interests

Al-Ismaelia, a consortium of Egyptian and Saudi Arabian investors, is a private real estate company that currently owns 33 buildings in downtown.

Chairman of Al-Ismaelia Karim Shafei recalls that before the company was established in 2008, he and a group of his friends wanted to buy a building in downtown. A day later, the real estate broker came back with around 50 options out of 400 buildings, which is almost 15 percent of all downtown properties. The idea to found the real estate group was then born.

“It was obvious that the people who privately own a building in downtown want to sell it,” says Shafei.

According to Shafei, the consortium buys properties according certain criteria: that the buildings have some sort of heritage to preserve, are structurally sound and are relatively close to each other, so that the developments in one building can support the other.

The company approaches the owners, who are usually a group of family members who have had the building passed down to them as inheritance. If they reach an agreement, then the rent contracts are passed along to Al-Ismaelia, who then sorts through them and tries to identify the current occupants.

Shafei says that only 7-10 percent of a given building has actual residents in it, while the rest of the spaces are occupied by offices, old businesses or apartments that were locked up by the owner and left empty. He adds that a large number of owners are willing to sell their apartments as they were often passed down as inheritance to a number of family members. In which case, Al-Ismaelia buys their rent contracts.

The company has a slightly more modern and practical vision for downtown than that of the government.

Unlike the Cairo Governorate’s nostalgic vision of returning the city’s lost heritage, Al-Ismaelia’s vision, as described by Shafei, envisages downtown as reclaiming its spot among the major cities of the world.

Shafei believes that downtown as it stands today has excluded certain segments of society, namely those of a privileged economic background, but he is hoping to change that. However, he claims that by bringing in one segment of society, he does not plan on pushing out another.

Like the Cairo 2050 plan, Al-Ismaelia’s initiative was also halted in 2011 and only began resuming in 2015.

Shafei recalls that because they were located very much in the heart of the January 25 uprising, the company witnessed its effects firsthand. One person was killed at one of their buildings, while another property was struck by a Molotov.

On the other hand, the revolution also had a positive impact on Al-Ismaelia as it became an organic marketing campaign for the area.

“A lot of people from our generation didn’t know anything about downtown,” Shafei asserts. “When the revolution happened, they went down to Tahrir Square, they discovered that downtown exists, and some of them saw the charm.”

Another positive impact on the company was the unprecedented attention given to downtown by the government.

“Our business is related to the government. The role of the government is very important in what happens in downtown,” says Shafei.

Although Shafei is not fully on board with the government’s plan for downtown, the fact that they also want to renovate the area makes his job easier.

“Our paths do cross, because we also paint buildings and refurbish,” he says. “They appreciate what we’re doing, and we’re happy they’re doing what they’re doing, to some extent.”

Cairo Governorate’s Bahr echoes this sentiment, saying, “The private companies have their own plans, and they coordinate with us sometimes.”

Somewhere in between is the Misr Insurance Holding Company, which owns over 140 buildings out of the 421 buildings in downtown. The company came to own this many properties when former President Gamal Abdel Nasser began his nationalization campaign. In 2007 the company created the Misr Real Estate Assets entity to handle its properties, which it described as the “company’s biggest challenge.”

Once it was established, Misr Real Estate Assets began acquiring apartments from their owners, as well as taking legal action against those who were proven not to be the rightful owners of an apartment. The company played a role in the Cairo 2050 plan, and was planning on selling property in Attaba, Ramses and Tahrir.

Eight years later, the state-owned real estate company is still shadowing the governorate without a pronounced plan of its own.

Akram Ismail, general director of the Historic Real Estate at Misr Real Estate Assets, refrains from delineating the company’s role in the development plans for downtown. Instead, he says that the Cairo Governorate is responsible for everything.

“We paint the buildings based on the governorate’s plan,” says Ismail.

Bahr reiterates Ismail’s claims, briefly saying, “We provide them with the plan, they pay the contractors.”

However, Shafei believes that the company could play a much larger role. “Their role should have been like our role. They should have the same interests that we have,” he says. “They are one of the largest stakeholders, they’re supposed to be part of the vision. I’m surprised that they haven’t tried to develop their buildings.”

Shafei claims that Al-Ismaelia tried to interact with the insurance company, but it never got off the ground due to the company’s massive size and age-old bureaucracy.

From Cairo 2050 to no vision

Omar Nagati is an architect, urban planner and a founding partner of Cluster, a platform for urban design and research. He says that while it may look like the state and the private sector have a seemingly identical agenda, this is not actually the case.

However, each plays an important role within downtown. “We definitely need the government, but we need a government that is accountable, representing the will of the constituencies,” says Nagati. He notes that there aren’t even local councils whereby residents of the area can voice their opinions.

“The private sector also has a role in creating jobs and so on. It’s a role of income generation, injecting money,” he adds.

However, he believes that a major problem is the lack of information regarding the plan for downtown, which prevents the possibility of critical analysis. “I’m not aware of any physical document that says, ‘this is the downtown plan’,” he says.

Shafei also criticizes the government for lacking a clear, long-term plan for downtown.

“The long-term plan is critical for downtown because you can never trust us, the private sector, to define the vision,” says Shafei.

He adds that if he were to build a commercial area with shops or opt to build a hotel somewhere, there would be no one to stop him.

“So far, what is happening is that no one is making a decision,” Shafei claims, adding that the company has been calling for a meeting between the different stakeholders in order for them to decide on a unified vision.

“[There should be] coordination between the public sector, the private sector and the community,” he says. “You should never trust any one of the three to work independently.”

But the state seems to be primarily concerned with cosmetic fixes that fit in with its agenda to promote tourism.

Bahr says the governorate hopes to do more than just refurbish the building fronts, but when they call on the building owners themselves to refurbish the building from the inside, in most cases the owners lack sufficient funding to do so.

Nagati says that in Europe, it takes close to five years to properly refurbish a historic building. In downtown Cairo, the state wants to see changes in the whole area within six months.

It is a good thing the government is paying attention to downtown, Nagati concedes, but “it’s important to find the common ground, how can we push it forward in a more critical way. They have resources that we don’t have, and the money comes from the private sector.”

On the other hand, there is always resistance to such changes, which inevitably raise concerns regarding gentrification.

“Gentrification means the urban space is changing functionally and changing its inhabitants. It’s not necessarily always a bad thing,” says Shafei.

Shafei argues that downtown Cairo had already been gentrified throughout its history three or four times, and therefore there is no “original” downtown to restore.

“Every time there was gentrification, there was a migration of some people, while some stayed, some came and adapted while others came and changed [their surroundings],” he adds.

Nagati is also not against the idea of change, arguing that the opposite would be decay.

“If change is happening too fast, then you’re also excluding generations,” he says. “It’s good to have a process of change in increments, and allow a process of review. The point is not to stop the process of change, but make it more inclusive.”

However, urban researcher Yahia Shawkat believes that the term gentrification always implies something negative, as it means the replacement of one social class with another.

Gentrification “is not required, and is against any form of social justice,” he argues.

Shawkat argues that if the issue with downtown was the decaying state of the area, then the government should look into the reasons behind the decay and work to resolve them.

Downtown rents are low due to the old rent system, he explains, so building owners do not have enough generated income for repairs. Shawkat suggests that the government should have created repair funds for each building.

“The majority of the decay is the decay of general facilities and roads, which falls under the responsibility of the municipality,” he adds. “Therefore, the municipality should be doing repairs in the area either way.”

Shawkat believes that this idea of refurbishing and repair is what the government and private companies are trying to sell to the public, when the downtown plan is really a real estate investment project.

Whatever changes are taking place, little information is available to the public. With so many different points of view trying to coexist in downtown, Nagati believes that it is important to have a debate.

“It’s healthy to have different positions, that’s democracy,” says Nagati. “I’m against having one vision as a monolithic vision. We have to debate. At the end of the day, we’re in a public space.”