

Lo and behold

On the mainland, where historic buildings are torn down with ruthless abandon, Hong Kong developer Vincent Lo is trying to make a difference by working with, rather than wiping out, architectural history. Didi Kirsten Tatlow talks to him about his latest project.

Every day before dawn, Jin Wenqing applies the theatrical make-up she wears for dance practice before heading to an island in Hangzhou's West Lake with her friends Yan Liyu and Xu Jinglu. The three women, all in their early 50s, are pleased they have been able to practise their traditional dances free in the former Old People's Park since Hong Kong developer Vincent Lo Hong-sui took over the site and abolished entrance fees of \$4.50 a day.

Across from the park where Jin and her friends dance at dawn, retired department store employee Zhao Xingqi, 69, emerges from his white-walled childhood home in Shaohua Lane for a chat with one of the few neighbours still living in the old district. Zhao is sad and angry after being served an eviction notice last year. So far he has refused to move. Lo plans to build offices where Zhao played as a child.



In a story repeating itself daily across China, a new real estate development in the southern city of Hangzhou is changing the lives of those living around it - for better and for worse. But in a twist, these developers are trying to preserve China's architectural legacy, opting to adapt many traditional buildings for modern use instead of razing them and building from scratch. Even critics and preservationists have to concede that in a country where change is fast, inevitable and not always well-considered, Lo and his architect, Ben Wood, have done a better job than most.

Lo is sure of it. "What we have done for China has called the attention of the whole of China and the whole world with this," he says. Lo smiles broadly behind rimless spectacles as he orders coffees all round and leans back into a sofa on the second floor of his plush private clubhouse at No. 1 Xintiandi, a restored French colonial mansion in a bustling part of Shanghai that Lo transformed in 2001, along with a cluster of formerly run-down but charming dwellings, into Shanghai's hottest dining and entertainment hub, known as Xintiandi.



The exterior of No 1. Xintiandi in Shanghai's hip new entertainment area, where historic buildings stand tall despite being surrounded by skyscrapers

No. 1 Xintiandi once housed a dozen families but is now used for Lo's business meetings and parties. The décor is in impeccable taste. Ming dynasty-style furniture, expensive stone and wood fittings and an indoor fish pond give a solidly Chinese air, while thick carpets, comfortable sofas and a soaring, central staircase add a Western flavour. It's quintessential Shanghai, a city born of the confluence of East and West.

An engaging man dressed in a sleek, black Sun Yat-sen suit with a pale blue, mandarin-collar shirt, Lo, 55, loves to talk architecture and pores over plans with his main architect, American Ben Wood. China's rapid modernisation has seen no shortage of real estate tycoons "making their mark" on the country's landscape by erecting shiny skyscrapers and mass luxury apartments, but Lo has taken a different route. Although he has worked in Hong Kong for many years, building ubiquitous office and housing blocks, his foray into the mainland brings a whole new perspective. His passion is reshaping China's cities by merging the old with the new. His company, Shui On Group, is still based in Hong Kong, but Lo spends about half his time on the mainland.

"I've been to quite a few cities and the areas in any city that would attract me are where they have their old buildings and they maintain them with modern facilities, like SoHo in New York or Picadilly Circus in London," he says. Buoyed by the triumph of Xintiandi, Lo is hoping to duplicate its success in Hangzhou. The new project is similarly named Xihu Tiandi, or West Lake Heaven and Earth, and the 50,000-square-metre development that is reshaping the lives of local residents lies on the shores of Hangzhou's famous West Lake. The two-phase, \$900-million project, which includes cafes, restaurants and boutique shops, with office space to come soon, is scheduled for completion in May 2005. Its first, or Garden Phase, opened in May last year.



Lo's latest project in Hangzhou makes ready use of water, glass and natural light

Both Xihu Tiandi and Xintiandi (meaning New Heaven and Earth), the Shanghai original it is closely modelled on, are flagship developments for the Shui On Group. Although Xintiandi and Xihu Tiandi are markedly different - Lo likes to work with the tenant's designers to create variety within the development - the emphasis is on muted, warm tones that complement the park-like environment and give an impression of high quality. Lo leases the land from local government for a "small land premium", which he won't disclose, pays the government a lump sum to relocate the original tenants and leases the space to stylish retailers. Both sites are on prime real estate: Xintiandi lies just south of Shanghai's main Huaihai Road shopping district and includes the first official meeting place of the Chinese Communist Party, now a museum, while Hangzhou's West Lake is a key tourist destination, famed at least since the 12th-century Song dynasty for its natural beauty, immortalised in poems and celebrated by painters.

Opened for business in 2001, Xintiandi quickly became a magnet for Shanghai nightlife and a tourist attraction in its own right. Xihu Tiandi aims to have the same mixture of restaurants and retailers and so far nine restaurants, cafes and shops - including a Haagen-Dazs, Va Bene (Italian) and Zen (Cantonese) restaurants, a Starbucks, Pao's Bakery, and Tea and Wine Chapter, which offers local cuisine twinned with French wine - have opened. Rather than a typical brightly lit Chinese dining experience, Xihu Tiandi's bars and restaurants stress intimacy. In Zen, the furniture is wooden and solid and the lighting low and warm. Halogen spots strung underneath the high ceiling create a contrasting palette of dark and light, giving diners the opportunity to choose how well they want to see, or be seen. The clever use of glass walls and ceilings throughout the complex creates an outdoor feeling, with visitors able to see the trees outside. Although the dining isn't alfresco - Hangzhou's winters are too chilly for that - the overall effect is relaxing. Even Starbucks, sporting its usual green and white neon sign, has a conservatory-like feel to it created by a glass roof that brings nature nicely into play.



The olde worlde Pao's Bakery in Xihu Tiandi, where even Starbucks has a leafy outlook

Xihu Tiandi has already dramatically expanded the nightlife of the city of seven million. But, unusually for a businessman in China, Lo's developments have been built more with an eye to creating a brand. Xintiandi, for example, has become so well known in Shanghai that it draws attention to its surrounding area collectively called the Taipingqiao Redevelopment Project, also undertaken by Lo. The area now also has a boutique hotel, a Corporate Avenue and a luxury residential area called Lakeville that is selling well, at \$17,000 a square metre. Lo's motivation is simple.

"The main motivation for creating Shanghai Xintiandi and Xihu Tiandi is to build Shui On's brand and create a following for our developments around the site or in other locations," he says. "I'm glad we have helped preserve the architectural and historical legacies of the cities in the process."

Xintiandi and Xihu Tiandi are core projects in Lo's mainland expansion strategy, which broadened in August to include a HK\$9 billion, 1.3 million-square-metre riverfront development in Chongqing, the city of 31 million people on the Yangtze River in Sichuan province. Chongqing's Hualongqiao development, says Lo, won't be as aesthetically ambitious as the Shanghai or Hangzhou projects. "Not every city will be able to have a Xintiandi. Chongqing, at this time, definitely not. Chongqing hasn't got the same kind of cosmopolitan atmosphere or international appeal." Instead, Lo says he will concentrate on creating a functional, business-friendly downtown that still incorporates local architectural styles.

Lo and Wood, the developer and architect tag-team, have blazed a trail for innovative development they hope will go all over the mainland. His connection with China, especially in Shanghai, stretches back to 1985, when he built a hotel with the Communist Youth League as a joint-venture partner. With that decision Lo took a gamble that shaped the future of his company. He is a risk-taker and reflects on his first venture with enthusiasm. "Although they [CYL] were very much sheltered from the rest of the world and we had a hard time even negotiating on the joint-venture terms, it was my gut feeling that I'd rather work with these young people than with sophisticated business people."

When the opportunity to redevelop Taipingqiao came along Lo jumped at the chance, even though no one in the industry had done anything similar before.

*Vincent Lo at his private club
in Shanghai's Xintiandi,
where East and West dovetail
in sumptuous style*



As we speak outside No. 1 Xintiandi, crowds stroll, drink coffee or have a meal in one of the many bars and restaurants in the restored, Franco-Chinese shikumen, or stone-framed door houses, that Lo and Wood ripped down and rebuilt. Despite his gruff manner, the burly Bostonian Wood, partner of Wood + Zapata Architecture, is a bit of a romantic. "Culture is being created right here. Modern Chinese culture. Bars, restaurants, coffee houses, that's where culture starts," he says, sitting next to Lo on the sofa. In fact, Lo, who is divorced with two grown children, loves the area so much he had Wood build his new home in Taipingqiao. It is ultra-minimalist in style (the kind that costs a lot of money to buy) and Lo admits he likes his beautiful home, appearing genuinely sorry he isn't settled enough to enjoy it fully. If Lo exudes elegance and charm, Wood is down to earth and intense. A farmer's son from the state of Georgia, a former United States Air Force pilot, and a motorbiker in his free time, Wood wears jeans, sturdy shoes and a baseball cap. His stomach pushes a little at the belt. His manner is direct, almost fierce. Looking for an architect to help him realise his vision, Lo says he hired Wood after just one meeting in Hong Kong in 1998.

"The first time I met him he'd never stepped on the Chinese mainland," Lo says. "It was just my gut feeling. I looked at his resume and I talked to him and I knew I could trust in his ability and dedication to do this project well."

"I'll never forget it," says Wood. "He said, 'You gotta start next week, the work has to be done in China, in Chinese, and you're the only white guy allowed in on the job.' " Wood says working in China has been tough. A central problem is that most of the associates aren't well-travelled and lack the worldliness to appreciate his cutting-edge ideas. When Wood told Lo that the shikumen houses were the urban equivalent of a Tuscan hill-town in terms of architectural importance and beauty, Lo understood instantly what he meant. But convincing the locals was much harder. "I remember a conversation I had with Vincent in his office," Wood recalls. "I said, 'What is one of your favourite places in the world to go on vacation?' And he said, 'Tuscany in Italy.' And I said, 'Well, I just got back from Tuscany and what you have [in Xintiandi] is the urban equivalent of a hill-town. You have a very compelling fabric of alleyways and old buildings. We need to introduce some old things and it will become as fashionable as Siena.' He understood because he travels the world."



Photographer: Virgile Simon Bertrand

Shanghai's hottest bar and dining hub has a notable lack of neon

Despite their differences in personality, Lo and Wood share common ground. "Everything I did previously in my career prepared me to work with this guy," says Wood, "because it was a very unusual project and I'd done things that involved making destinations out of urban streetscapes, as opposed to making destinations out of shopping malls."

And the chemistry was right. The two engage in a lot of backslapping and joshing. Lo calls Wood "my friend". For his part, Wood says: "I really like working with developers. They're the people who make things happen." After all, both Xintiandi and Xihu Tiandi required the team to "recreate" an environment out of derelict and neglected areas. "I took thousands of pictures of the projects and I'd piece them together and try to imagine what it would look like. My biggest trepidation was: if I tear a building down, will it be the right one," Wood says. "What you do in any project is try to make people feel extremely comfortable, and deliver an urban environment people actually want to spend time in." Lo adds: "When we carve out the squares and open areas we'd say to ourselves, 'Okay, when you make a turn here what do you see, how do you feel?'"

Lo acts more like a businessman-patron than a boss. He is especially proud that he won an Urban Land Institute's 2003 Award for Excellence - the first mainland Chinese recipient - for his work with Xintiandi. He has come a long way since starting Shui On Group with a \$100,000 loan from his father, who was also in the construction business.



That was in the early 70s and Lo had just returned from university in Australia with a degree in economics. He started working for his father and was miserable. "My elder brother and sisters were already working there and I wasn't doing a good enough job," he says. "I was always getting scolded by everybody. So I thought, 'I've had enough of it'."

He found a job with another company but his mother believed he should venture out on his own. "She negotiated on my behalf with my father for a few days, and my father said if I started a contracting company he would give me my first job, and that's how I got started." He admits to being clueless in the beginning. "The first few years I was just trying to survive and keep my head above water because I didn't know anything about construction engineering," he says. "I was on site at seven o'clock every morning, taking my own deliveries. I learned the hard way, but I think those were all important experiences for me because I now know the process of getting something done and what is required in the job." Even today, before he invests in a development, he still makes rounds in the surrounding area, even visiting shops and markets and checking out how people live.

But although Lo and Wood's reputation for respecting original architecture is making waves in China and abroad, it's cold comfort for Zhao, the 69-year-old who is losing his home in Hangzhou. A round-faced, friendly man who lives on a monthly pension of \$900, Zhao is bitter about being told six months ago he must leave the home he's lived in for almost seven decades. His memory, he points out, pre-dates the communists, as if to say he, and not upstart developers, has the right to be there. Unluckily for Zhao, a 1982 law that decrees all land belongs to the government means anyone who has good contacts within the government is at an advantage.

"I remember as a small boy seeing Chiang Kai-shek walking around," Zhao says pointing to the park across the road and recalling China's mid-20th century Nationalist leader who liked to spend time in Hangzhou. Zhao is outraged at what he says is a shoddy relocation offer from the Hangzhou government. The offer could not be independently verified and Lo's staff declined to give details, but many people sitting on prime real estate in China complain the compensation on offer is far below market value.

"They want us to move out near the airport to a new area that hasn't even been built yet," he says. "So for two years first we have to find something on our own. But they're only offering 5,900 renminbi [HK\$5,300] a square metre. You can't find anything for that around here. And what are they going to do? Sell the land to a Hong Kong developer who will sell it on and make money out of it? If they gave us a fair deal, we'd move tomorrow. But as it is I'm staying."

Tin mug in hand, a neighbour jumps out of the doorway of his house across the lane and bellows: "The Communist Party is the worst ever!" before disappearing back inside.

Back in Shanghai, Lo listens to the story carefully before replying. "I hope the Hangzhou government will try to assist these people. Of course it's very difficult to get ourselves involved because you know we can't really handle the politics and we don't know how to deal with the procedures," he says. If anything, relocation is becoming more expensive.

"Usually I find relocation costs shooting through the roof. Every year it's escalating by more than 20 per cent," he adds. "I don't know the exact numbers because we signed an agreement with the government agency and they handle it all."

"If you look at it from another angle, because of the progress and the speed that things are improving, it's also helping a lot of other people. There must be some people who are sort of left behind, who find themselves sort of caught in no-man's land. But I think those needy people, you know ... people should help them, including ourselves."

Architect Wood, who has been listening with interest, joins in. "The key problem here is that the market wasn't allowed to operate for so many years and now that it's operating, things are happening at a pace that is more rapid than it might have been," he says. "So they are living in a place that people probably shouldn't be living in any more. It's all coming quite suddenly, it's all happening very fast. In a more normal environment it would happen more gradually, but China's in a hurry now."

But there are many in Hangzhou who are happy about the changes. At 8.30am in the first, or Garden phase, of Xihu Tiandi, Jin Wenqing, Yan Yilu and Xu Jinglu, the three dancers, are sitting at a table outside Starbucks on the edge of Rising Buffalo Pond, chatting after their morning exercises. The early-morning sun is gentle. Behind them the still waters of the West Lake push gently against the shore. All around is the park where they've been coming every morning for seven years to dance.

"Oh, it's great," says 53-year-old Jin. "There used to be a wall just here," she says, pointing to the edge of the pond, "so you couldn't see the water. It's gone now." "It's better, greener, more trees - and free!" says Yan Liyu, 51. "Of course, we bring our tea from home. It's expensive here and nothing is open," she says. Like Xintiandi, Xihu Tiandi's bars and restaurants, nestled among the park's trees and gardens, are mostly late-night venues.

"Some young people can afford it, but older people can't," adds Xu Jinglu, 50.

Back in Shanghai, Wood, in charge of conceptual design for the project, explains how after the challenge of the highly urban Xintiandi area he tried to work with the natural environment of Xihu Tiandi. Hundreds of trees were planted; meandering, intricately patterned stone paths were laid and handsome rock springs dug into the ground. A scattering of original buildings - mainly used as government offices - were so ugly Wood abandoned the idea of working with indoor spaces and chose to replace their concrete walls with glass, creating a feeling of oneness with nature. On top of Zhao's old home, new offices will offer environmentally friendly working facilities behind the traditional, Hangzhoustyle, high, white walls with brown tiled eaves, which will be knocked down and rebuilt. With innovative air-conditioning systems that make use of cooler ground temperatures and circulating air instead of conventional, electricity-powered machines, Lo and Wood are planning to submit the development for the Platinum prize awarded by the US Green Building Council. If they win, it will be the first award given to a Chinese development.

For Lo, who is buying cement factories in China and has pinned his company's growth on the country's booming property and construction markets, it's all about establishing a presence. "Xihu Tiandi is our first project in Hangzhou and we want to build our reputation and win the local government's trust through this project."