

Urban Revitalisation

in the Baltic Sea Region



Urban renewal, urban regeneration, urban revitalisation...

Different terms are used for a wide spectrum of processes dedicated to the improvement of deprived and neglected parts of the cities. Also, different countries have different approaches to those processes. We use a wide variety of methods, focus on various aspects, emphasise various needs. Nevertheless, the goal is common - bringing neighbourhoods affected by crisis back to life and vitality.

We believe that you will find this brochure interesting, it serves as an overview of how VASAB countries perceive revitalisation and defines what are the current actions undertaken by them in that field.



Dear Readers,

This brochure has been developed by the Polish Chairmanship of the VASAB Ministerial co-operation (Vision and Strategies around the Baltic Sea) and it provides an overview of the presence, importance and scope of revitalisation of cities in the VASAB countries. It also highlights the relation of this process to spatial planning and development in different geographical scales in the Baltic Sea Region (BSR). By revitalisation we mean an overall process of deriving deprived areas from the crisis, conducted in a comprehensive way through territorially concentrated, integrated actions addressed to the local community, space and economy, which are led by a wide range of stakeholders and are based on the local revitalisation programmes. Revitalisation reintroduces activity and prominence to the most deprived and neglected parts of the cities, which were afflicted with a long period of economic decline or stagnation, social problems, and spatial and infrastructural degradation leading to the loss of urban functions and impoverishing the quality of life of the inhabitants.

Recently revitalisation has gained importance as the key element of territorially sensitive development policies in the BSR countries and in the EU. Revitalisation has become one of the key fields of the VASAB member states' shared public intervention since it addressed important emerging problems and challenges in all BSR countries related to demographic change (planning for cities with a shrinking population, ensuring polycentricity, smoothing social tension related to the inflow of migrants etc.).

For several reasons a macro-regional co-operation of spatial planners seems to be the right forum for a broader kick-off macro-regional debate on revitalisation based on the following theses:

- revitalisation requires a multi-governance approach and a smooth process of facilitating participation of various stakeholders, interests and governments;
- spatial planners may have an important role in this process as specialists on stakeholders' engagement, as facilitators of complex place-based and territorially sensitive development processes, and as a source of a tacit knowledge on

local, regional and subregional development capital;

 the Baltic Sea Region is of a right geographical scale to exchange experience on revitalisation methods, identify good practice and disseminate it.

As a result of such a debate the EU, macro-regional and national policies and strategies should be asked to consider their impact on proper development of the cities, city networks and urban regions. For instance the EU Strategy for the Baltic Sea Region could be invited to prepare an overview on the impact of its actions on the Baltic cities and to adjust its implementation strategy in line with the findings.

This publication presents key points on the revitalisation policy in each BSR country. It provides food for thought on the diversity of the BSR approaches and solutions in this field. This brochure is intended to familiarize both decision-makers and professionals with the issue.

VASAB Polish Chairmanship, Department of Development Strategy, Ministry of Economic Development of Poland

BELARUS

Responsibility:

Revitalisation is among the priorities of different policies, mainly related to housing and spatial planning (National Urban planning policy, Housing policy, Energy efficiency policy). The issue has been highlighted, for instance, in the *Programme of Development of Housing and Communal Utilities of the Republic of Belarus until 2015* and in the *Main Directions of the National Urban Planning Policy for 2007–2010, 2011–2105, 2016–2020*, as well as in the *Comprehensive Programme on Design, Construction and Reconstruction of Energy-efficient Housing until 2020*.

The general approach and priorities related to urban regeneration are formulated at the national level. The responsible Ministries are the Ministry of Housing and Public Utilities Service, as well as the Ministry of Architecture and Construction. Regional (oblast) and local authorities (district, city, towns) are responsible for the development and implementation of programmes on reconstruction, major renovation, and thermal modernization in their jurisdictions to implement the aforesaid national priorities.

Content:

The main directions of reconstruction measures that have been undertaken in Belarus so far concern major renovation of the housing stock, i.e. buildings constructed in the

years 1950s–70s. Also, thermal modernization of buildings, renovation and restoration of facades, reconstruction of parks, historical centres, the transformation of roads to pedestrian zones and boulevards, land improvement in cities are among important urban regeneration concerns. At the same time there is no complex programme for revitalisation of larger territories, for example, whole neighbourhoods, residential areas etc. Revitalisation mainly deals with physical aspects (roads, buildings) and is not addressed to local communities and social issues.

Financing:

Revitalisation measures are mainly financed through local and state budgets and private developers for specific projects. Financing is rather upon cases than it is systematic and issue-oriented.

Main Achievement:

The process of revitalisation (reconstruction with giving new functions) is rather new for Belarus. But areas for complex reconstruction are more and more frequently indicated in master and detailed plans.

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DENMARK

Responsibility:

Revitalisation is regulated by the *Danish Act on Urban Renewal and Urban Development*. The Act serves as a tool for the Danish municipalities to make targeted efforts in urban and housing policies. The Ministry of Immigration, Integration and Housing is responsible for the overall implementation of the Act. However in practice specific measures are taken at local (municipal) level.

The Danish Planning Act sets the framework for spatial planning and contributes to the implementation of urban policy. The government establishes the overall guidelines for spatial planning, while the municipalities are responsible for implementation of the guidelines and visions into spatial planning through municipal plans and local development plans. The Ministry of Business and Growth is responsible for the overall urban and regional policy.

Content:

There are several measures related to revitalisation that have been undertaken in Denmark. The most important are the following:

 enhanced integration of urban policy and spatial planning under the Ministry of Business and Growth;

- enhanced focus on village renewal and development;
- enhanced focus on job creation and growth in areas outside the main cities, i.e. by removing government workplaces from the capital region to other regions in the country.

Financing:

Revitalisation is financed through support schemes under the *Danish Act on Urban Renewal and Urban Development.*

Main Achievement:

Daily work of 98 Danish municipalities on revitalisation.

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ESTONIA

Responsibility:

Revitalisation is pursued within several policies: e.g. regional policy (notable role) and the policy on nature conservation. Moreover a new energy policy, including a new housing policy, is under preparation and it will cover revitalisation as well. Accordingly revitalisation was included in the key documents related to those policies:

- Regional Development Strategy 2014–2020, adopted by the national government in March 2014, foresees state grants for revitalisation of underused inner-city areas in larger urban areas of Ida-Viru County (a former heavily industrial region) (http://www.fin. ee/public/Regionaalareng_ja_poliitika/Eesti_regionaalarengu_strateegia_2014-20.pdf);
- The Development Plan for Nature Protection adopted by the national government in 2012 to protect landscapes foresees cleaning up dilapidated areas and demolishing abandoned buildings;
- The draft of the Development Plan for the Energy Sector, including the Development Plan for Housing.

However, practical measures on revitalisation take place mainly at municipal level. Though as municipalities own only minor portions of land, their opportunities are limited. Some support measures are offered from the national level that help to demolish abandoned buildings or clean up dilapidated areas.

Content:

The Ministry of Environment offers some measures related to clearing away the pollution – the link to revitalisation is more indirect. For municipalities a measure for demolishing abandoned buildings is available and provided by the KredEx Foundation. A measure to demolish abandoned residential, agricultural or military buildings and

waste management is provided by the Environmental Investment Centre (state foundation). There are separate measures for revitalisation of underused areas in the cities of Ida-Viru County (North-East Estonia) that support redevelopment of brownfields and other unused areas in the cities, not only physically but also in terms of social and economic issues. There are also measures (loans, grants) for energy efficient reconstruction of multi-storey residential buildings, provided mostly through KredEx.

Financing:

Financing comes mainly from Structural Funds of the EU and national and local budgets. Some loans are also envisaged.

Main Achievement:

Estonia is facing the challenge of a shrinking population in most regions and municipalities, with the exceptions of Tallinn and Tartu urban areas. At the same time the *Planning Act* suggests the planning principle, in accordance to which one has to always aim for a better living environment in the planning process. The challenge is, how to achieve this goal in the conditions of a shrinking and ageing population in the case of most of the towns and rural municipalities. The City of Valga on the border between Estonia and Latvia has proposed to serve as a pilot area for this type of planning.

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FINLAND

Responsibility:

According to the Constitution, cities are independent in Finland. Therefore cities are exclusively responsible for revitalisation processes and renewal of their deprived areas. This includes the leadership of these revitalisation and renewal processes.

In 2009–2011 and 2013–2015 two different national programmes for deprived neighbourhoods were executed, the *Suburban Redevelopment Programme 2009–2011* and the *Development Programme for Residential Areas 2013–2015*. The latter was directed to 13 biggest cities in Finland. Both programmes were based on the Government Programme. The Ministry of the Environment had the leadership in these processes, but specific actions and measures were carried out by the participating cities. The government gave subsidies for the participating cities through these two programmes, but the cities bore the main financial responsibility. The subsidies were meant for general coordination of the local projects, as well as for specific investments.

Content:

In Finland there are no national level strategies or programmes at the moment. In the previous programmes the most fruitful approach has proven to be simultaneous development of both the social and the physical environment of the areas. With the development programmes and subsidies the participating cities have also been encouraged to draft long-term strategic plans for developing their deprived neighbourhoods. Still, areas facing sudden structural changes in livelihood, can be nominated to an area in urgent need of specific efforts to be able to recover.

Financing:

Cities bear the main responsibility of financing.



GERMANY

Responsibility:

The National Urban Development Policy (Nationale Stadtentwicklungspolitik; www.nationale-stadtentwicklungspolitik.de) constitutes the overall framework. It is a joint initiative of the national level, the sixteen regions (Länder), and two associations of cities (Deutscher Städtetag, Deutscher Städte- und Gemeindebund). However, as per constitution cities are independent in Germany, city governments have the exclusive responsibility for dealing with deprived areas and respective revitalisation processes. This includes the leadership of these processes (often in cooperation with city-owned managing bodies).

A number of funding programmes on federal and *Länder* level are in operation (e.g. *Städtebauförderung: www.staedtebaufoerderung.info*), which in addition to funding act as dialogue platforms. Policies and funding programmes are based on the constitution and decisions of the National Parliament (*Deutscher Bundestag*). References are made to EU policy documents (e.g. *Leipzig Charter on Sustainable European Cities*).

Content:

In Germany revitalisation is of integrative character covering different spheres (social, economic, infrastructural) and measures. Integrated urban development concepts (Integrierte Städtebauliche Entwicklungskonzepte – INSEK), developed and agreed upon within cities, constitute the basis for revitalisation measures.

Financing:

In order to carry out revitalisation processes, cities may rely on funding programmes. These funding programmes (e.g. *Städtebauförderung*) constitute parts of entire funding activities and are co-financed from *Länder* and municipal budgets, as well EU funding

programmes (e.g. URBACT, ESI Funds). The programme BIWAQ (*Bildung, Wirtschaft, Arbeit im Quartier*: www.biwaq.de) supports local labour and education activities in urban neighbourhoods as a national ESF programme. The funding is also connected to the complex revenue redistribution system at the national level and the regional levels of the sixteen *Länder* in Germany (*Bund-Länder-Finanzausgleich*).

Main Achievement:

Urban revitalisation is taken in Germany as a crucial part of integrated strategies to urban development and urban planning. Its implementation became integral to the daily work routine of local administrations. The Federal Building Code (*Baugesetzbuch*) has been amended accordingly, as well as civic engagement is continuously being encouraged to make citizens co-act on eye-level with public authorities and stakeholders. The URBACT projects *FIN-URB-ACT* on microcredits in Leipzig, *HerO* on neighbourhood development, centred around cultural heritage sides in Regensburg, and *RegGov* on enhancing local labour market structures in Duisburg may serve as examples.

Further Information:

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LATVIA

Responsibility:

In Latvia the urban areas have been identified as one of the regional policy target areas, which according to the national regional policy¹ shall be supported, ensuring complex solutions for specific local circumstances, thus applying a place-based approach. Integrated local development strategies are the basis for support measures at local level, including revitalisation of deprived urban areas. Meanwhile the regional policy is oriented towards providing the preconditions for business development in regions, among others, setting a particular activity for the improvement of business infrastructure.

The EU Structural and Investment Funds are the main source of support for urban areas in Latvia, including deprived urban areas.

In that regard, under the *EU funds Operational Programme 2014–2020* one of the investment priorities is to take actions to improve the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites (including conversion areas), reduce air pollution, and promote noise-reduction measures. There are two support measures ("specific objectives") under this priority:

- promotion of revitalisation of urban areas in Riga, ensuring efficient socioeconomic use of the area;
- revitalisation of territories through regeneration of deprived areas according to integrated local development strategies.

Content:

Under the first support measure for deprived neighbourhoods in Riga, funding will be allocated for the development of infrastructure objects of public importance set in the *Riga Sustainable Development Strategy 2030*. The focus is on development and revitalisation of brownfields for diverse and qualitative culture and sports services in Riga.

Under the second support measure funding is planned for the priority of public infrastructure projects, which are defined in the integrated local development strategies and which are aimed at the promotion of revitalisation of the urban environment, renewal of brownfield sites and other deprived areas. The revitalised deprived areas will be adapted for the development of new enterprises or expansion of existing companies to promote employment and economic activity in municipalities. Compliance with the integrated municipal development programmes is a precondition to receive funding. The beneficiaries under the support measure are cities with national importance, local municipalities containing the largest towns, as well as Latgale planning region.

Financing:

EU Structural and Investment Funds.

Main Achievement:

During the EU Structural fund programming period 2007–2013 a specific support measure was implemented, providing support for the development of deprived neighbourhoods in Riga. As a result the infrastructure of a particularly deprived area called *Spīķeri* was developed, creating an attractive urban environment for leisure activities, as well as for entrepreneurship.

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The main development planning documents defining the national regional policy in Latvia: Long-term Sustainable Development Strategy of Latvia until 2030, National Development Plan 2014–2020, and Regional Policy Strategy until 2019.



LITHUANIA

Responsibility:

In Lithuania revitalisation is mainly pursued within the housing policy. The general approach is formulated at national level. The national level also provides instruments for implementation of the aforesaid policy. Revitalisation is outlined in the current national *Renovation Programme*, which is active since 2005 and aims at increasing energy efficiency of the most heat-intensive multi-apartment buildings. This Programme follows the *Lithuanian Housing Strategy*, adopted by the government in 2004. However, practical measures on deprived areas and their revitalisation are taken by local municipalities.

Content:

The approach to revitalisation is of integrated character, aiming at the revitalisation of housing blocks and their environment within a city, certainly with the consent of owners of the apartments of each house. The local municipalities are directly involved in the revitalisation process as a counterpart at local level (deciding on the list of houses to be renovated, following the owners agreement on renovating their properties, and linking with their own share to be invested). The focus is on energy efficiency.

The Public Housing Energy Efficiency Agency through co-operation with partners from other countries enhances skills and experience in developing projects related to the application of alternative energy resources in multi-apartment buildings, and in generating ideas for the construction of passive houses. The Agency provides consulting services and assistance for homeowners on matters related to the renovation (modernization) of multi-apartment buildings. It also evaluates and approves submitted investment plans and procurement documents, cooperates with municipal authorities, engineering consultancy companies, educational institutions, non-governmental organizations, etc.

Urban revitalisation in cities and towns is based on a complex approach and aims at revitalisation of entire blocks within the urban tissue. The target areas were the former military sites, former industrial areas, river rim zones. All those territories are located mainly in central parts of the cities or situated nearby. The contents of such revitalisation is oriented towards multi-functionality (living, service, business) and at the same time towards continuity of urban development heritage traditions. Green open spaces developed within the cities have been subject to revitalisation as well, thus contributing to the quality improvement of urban living and to the increase of value of already existing urban assets, but having endured many decades and even in some cases – hundreds of years of degradation.

Financing:

 $National\,budget\,and\,EU\,funding, also\,funding\,of\,local\,municipalities\,and\,private\,investments.$

Main Achievement:

In Lithuania the *Renovation Programme* has been implemented in harmony with the *Law on Territorial Planning of the Republic of Lithuania*, covering (para. 17, cl. 5) "detailed plan planning objects to be: 1) existing or newly planned parts or blocks of towns and cities; 2) existing or newly planned parts or blocks of compactly built up villages".

Further Information:

Can be obtained from the Housing Energy Efficiency Agency (under the Ministry of Environment), established on 19 February 2013. Additional information is available on the website address: www.betalt.lt/en

Also visit web-sites of local municipalities.

POLAND

Responsibility:

The most important national documents concerning the processes of conducting revitalisation in Poland are: the *Revitalisation Act* adopted by the Polish Parliament on 9 October 2015, *National Urban Policy* adopted by the Council of Ministers on 20 October 2015, and *Guidelines for Revitalisation in Operational Programmes 2014–2020*.

Nevertheless, the most important administrative level, which deals with revitalisation challenges and implements revitalisation actions, is the local one – municipality (gmina). Local governments are responsible for preparation (which also means creation of adequate conditions), coordination and evaluation of the revitalisation process, as



well as of the involvement of a wide range of stakeholders (inhabitants, entrepreneurs, non-governmental organizations, etc.).

Content:

Revitalisation is pursued in the framework of different policies regarding: economy, social affairs, housing, spatial planning, environmental protection, etc. Local governments prepare their individual long-term revitalisation programme and introduce revitalisation actions based on the local diagnosis and identification of needs.

Financing:

Municipal and state budget, EU Funds, private sector funds.

Main Achievement:

The main, recent achievement on the national level (with the Ministry of Economic Development as the coordinating body) is the introduction of the revitalisation support framework consisting primarily of regulations, incentive mechanisms, EU funding opportunities and information, and promotional actions.

At the same time, on the regional and local level revitalisation also becomes an important development tool – Pomorskie region can be a good example of that. The revitalisation approach in the Pomorskie region harmoniously combines social aspects of revitalisation with the renovation of physical infrastructure. Noteworthy is the place-based approach used for elaboration of the revitalisation projects, involvement of various types of stakeholders, and consensus building measures of dialogue type for negotiating the final shape of the revitalisation actions. Details are available at the EU website: http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/mlg_cs6.pdf

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RUSSIA

Responsibility:

Revitalisation in Russia is pursued in the framework of the federal legislation including the Urban Code, Housing Code, Land Code, and federal laws №73 Φ3, №131 Φ3, №52 Φ3.

The key administrative level responsible for pursuing revitalisation is the local municipality, but depending on land and property ownership – sometimes it may be supported by the regional and/or federal budget (as a part of a targeted programme or other instruments). The specific basis for revitalisation is usually provided by an approved master plan of a given city/town. Local governments are responsible for preparation, coordination of the stakeholders of the revitalisation process. In some cases, they could initiate PPP projects in the city. Private investors and the local government share the risks and revenues/expenditures for buy-outs and transformations of the territory.

Content:

The revitalisation measures usually aim at: the improvement of public space, rehabilitation of the historical center of the city, industrial zone redevelopment, upgrading of pavement, renovation of facades, restauration/reconstruction/new construction of buildings, sometimes involving the relocation of tenants and owners (people and organizations), strengthening cooperation with cultural institutions, universities and other new users, as well as with developers and investors.

Private investors could initiate the process of revitalisation of the former industrial zones. After that the reconstructed industrial spaces can become the venue of creative agencies and workshops, showrooms, galleries and clubs. Some successful examples are developed in the last years: in Moscow – the contemporary art centre Vinzavod, Garazh, design centre Artplay, Flakon. In St. Petersburg – Etazhi, Tkachi.

Financing:

Financing is provided from regional, local and federal budgets, and private sources.

Main Achievement:

In Russia new construction in city suburbs funded by private investors is still more popular and wide-spread than revitalisation of built-up areas. The comprehensive restoration of some cities for special events (anniversary, sport championship) is funded from the federal budget. To develop the process of revitalisation it is necessary to provide incentives and conditions to attract new actors.

Further Information:

Ministry of Culture, Department for Property Management and Investment Policy, www.mkrf.ru/en

Ministry of Construction, Housing and Utilities, Department for Zoning and Territorial Planning, www.minstroyrf.ru

ALLII .

The State Duma of the Federal Assembly, Committee on Culture, www.komitet2-3.km.duma.gov.ru

SWEDEN

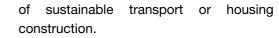


In Sweden revitalisation is mainly pursued within the urban and housing policy and at municipal level. The Ministry of Enterprise and Innovation is responsible for the overall regulations and policies regarding housing, urban development and work with deprived areas. At the moment there are non-governmental strategies or programmes that specifically deal with the issue of "revitalisation". There are also several governmental supports and measures that may have revitalisation effects. Specific actions are undertaken at the municipal and local level in the form of e.g. revitalisation plans.

Content:

Currently the Ministry of Enterprise and Innovation is working on support for renovation and energy efficiency of buildings and for outdoor areas that would stimulate the social community, also for areas with socio-economic difficulties. The Ministry is also developing support for the construction of affordable rental units.

The Swedish Government has also launched *Urban Environment Agreements*, which are agreements with municipalities about investments in public transport and housing construction. In the agreements transport and housing issues are linked together with government support for measures taken by local municipalities to increase public transport in urban areas. In return the municipalities have to carry out work on services to increase the proportion



These measures are examples that are intended to contribute to a sustainable urban development and could help to revitalise areas with socio-economic difficulties and city centres in Sweden.

Financing:

Apart from planned governmental support, the main sources of financing are the municipalities and local authorities. In the Swedish ERDF programmes funds are set aside to increase energy efficiency through constructing and renovating buildings.

Main Achievement:

Sustainable urban development is achieved under a multi-governance frame.

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Urban Revitalisation in the Baltic Sea Region

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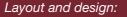
The country-specific information is provided by the members of VASAB Committee on Spatial Planning and Development of the Baltic Sea Region (CSPD/BSR). However, the publication does not reflect the opinion of the VASAB or the members of the VASAB CSPD/BSR.

The publication is inspired by the discussions during the VASAB workshop on Urban Revitalisation on 28 October 2015 in Łódź, Poland. The main objective of the VASAB workshop on Urban Revitalisation was to provide a joint input to the EU Urban Agenda process based on existing sustainable urban planning solutions and partnership concepts. The workshop aimed to share experience on urban revitalisation at national and local level in the Baltic Sea Region. The VASAB workshop was organised within the framework of the Interreg Baltic Sea Region Programme 2014–2020 project HASPS – Horizontal Action "Spatial Planning" Support.









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