



Results

**WP 5 - Site advantages**

WS in Eberswalde

*Hanns-Uve Schwedler*

Most OP Act partner cities have been (and in some cases still are) facing severe economic structural changes over the past two decades. The economic basis of several of these cities, for instance, was metalworking or chemical industries. The industries developed in these cities mainly because of certain location factors and advantages - presence of water or raw materials for example. These traditional location factors, however, have only little or no importance at all for investors from the 'modern' industrial or service sector. New types of competitive investment factors have therefore gained in importance.

**From location to site advantages**

Economists and planners distinguish between hard and soft location factors. While hard factors are measurable and affect costs of products or services, soft factors are measurable only to a limited extent and affect investors' decisions.

*Table 1: Hard and soft location factors*

Examples of hard factors:	Examples of soft factors:
<ul style="list-style-type: none"> <li>• land, office space availability</li> <li>• cost of land, office space</li> <li>• transport links</li> <li>• proximity to market /customers</li> <li>• proximity to suppliers</li> <li>• educational / research institutions</li> <li>• availability of skilled labour</li> <li>• labour costs</li> <li>• municipal taxes, charges, costs</li> <li>• subsidies</li> <li>• etc.</li> </ul>	<ul style="list-style-type: none"> <li>• political-economic 'climate' / 'business friendliness' in the community / municipality</li> <li>• image of the city / region</li> <li>• career opportunities in the region</li> <li>• local cultural activities / recreation opportunities</li> <li>• environmental quality / landscape</li> <li>• housing, residential environment</li> <li>• social and educational infrastructure</li> <li>• etc.</li> </ul>

Several hard location factors have lost their importance not only due to economic structural changes and globalisation. In times of the internet, for certain new, creative industries, for instance, all kinds of 'distance' factors do not play an important part in investment decisions. Within the EU, structural and cohesion policies have led to more balanced situations in member states regarding hard location factors.

In addition, most hard factors can only be influenced to a limited extent (or: not at all) by cities.

For this reason, soft factors are now playing an ever more important part in promoting local economic development. However, in this respect too, it is true that a number of these factors cannot really be influenced by cities. In many EU member states, for example, local authorities or municipalities have no decision making competence in education and school fields. In other soft location factors, on the contrary, decisions made by an individual municipality hardly plays any part; what is more significant are facilities or features of the region. Cooperation and coordination with other municipalities is therefore crucial.

Against this background, what is particularly vital for stagnating or shrinking cities is to see the value of potential which so far has not or not sufficiently been used – what are known as site advantages - in order to regain or maintain the city's competitiveness.

## What are site advantages?

Site advantages are unused or under-used resources or potentials of a city. In some cases they have not even been recognised yet. In some Op-Act partner cities, for instance, the industrial 'heritage' of these cities, their self-perception that people are still living in an industrial city and are trying to retain this, is in fact blocking their perception or vision of new opportunities.

Whereas hard and soft location factors have certainly been defined both in academic and practical terms, the same is not true for site advantages. In the latter case, it is much more pronounced a question of local situations/facilities/features. Thus it is only possible to mention one or two examples from Op-Act partner cities:

- landscape (waterfront - mountains)
- unique city centre (medieval - modern architecture)
- unique urban quarters and buildings (often cultural heritage sites)
- higher educational institutions

*Table 2: Specific examples of site advantages from partner cities*

City	landscape	unique city centre / quarters / buildings	higher educational institutions	others
Ancona	(sea) water front could be (and is to a certain extent) used to attract modern industries and recreation facilities related to the sea (e. g. solar energy, etc.).	beautiful city centre and (Roman) archaeological sites, but lack of functions in the centre	several, but hardly linked to the needs of the city	cultural activities and facilities regional centre
Medias	potential tourism gateway to Transylvania	historic city centre should be up-graded as attraction for tourists and residents		
Notodden	(lake) water front, but only little added value so far (first steps by cooperating with other towns on the lake; plans to extend the city to the lakeside)	unique industrial heritage site (in part vacant) with potential as UNESCO cultural heritage site		living in a semi-rural landscape (but land-take and housing sprawl)
Leoben	(river) water front, but hardly any added value due to spatial 'sins' of the past (cutting off the river from the city		specialised university	cultural and recreational facilities

Dabrowa Gornicza	due to renaturation in former mines (open-cast pits) there is high potential for recreational functions for the whole Katowice agglomeration			
Legazpi	beautiful landscape	unique industrial heritage site combined with arts		many cultural events
Rezekne			Latgale Engineering Technology Centre	many cultural events
Altena	(river) water front, first steps in re-discovering it (promenade project)	castle could serve as a tourist attraction. Altena will link the castle to the city through a 'adventure and information' elevator		cultural life
Eberswalde	the Finow Canal, first steps in re-discovering the waterway  landscape (natural protection sites in the vicinity)		University of applied science with good links / cooperation between municipality and university	vicinity to a metropolis;
Nagykálló				recreation and sports facilities; thermal bath
Heerlen				cross border cooperation; cultural and innovative facilities

These examples make the following quite clear:

- These site advantages might be used above all in furthering tourism, in improving local recreation provision and for innovation in municipal business and labour market policies.
- These site advantages have implications for or impact on hard and soft location factors, i.e. they are able to increase competitiveness.

- They have a potential influence on living conditions and on other policy and action fields which are the subject of other individual Op-Act work packages.

## EU projects dealing with cultural heritage, higher educational institutions and landscape

Table 3: Selected EU projects

Topic	Project	important / useful outcomes for Op-Act
Cultural heritage / historic centres	HerO - Heritage as Opportunity	HerO methodology to ensure integrated approaches / to overcome departmental thinking and action
	LINKS - Old European cities as a key for sustainability	kind of living qualities people are looking for
	(REPAIR - Realising the Potential of Abandoned Military Sites as an Integral part of Sustainable Urban Community Regeneration)	process model
Higher education / universities	REDIS - Restructuring districts into science quarters	handbook on creating knowledge hotspots in the city
	RUnUP - Role of Universities in Urban Poles	article in URBACT Tribune, final report / output not yet available
Water front	CTUR - Cruise Traffic and Urban Regeneration - Port Heritage as a key for the sustainable economic, social and urban development	draft final report: lessons learnt
	Water front urban development	final recommendations / report
Landscape	Nature based tourism	final recommendations
	Parks & Benefits	interim results

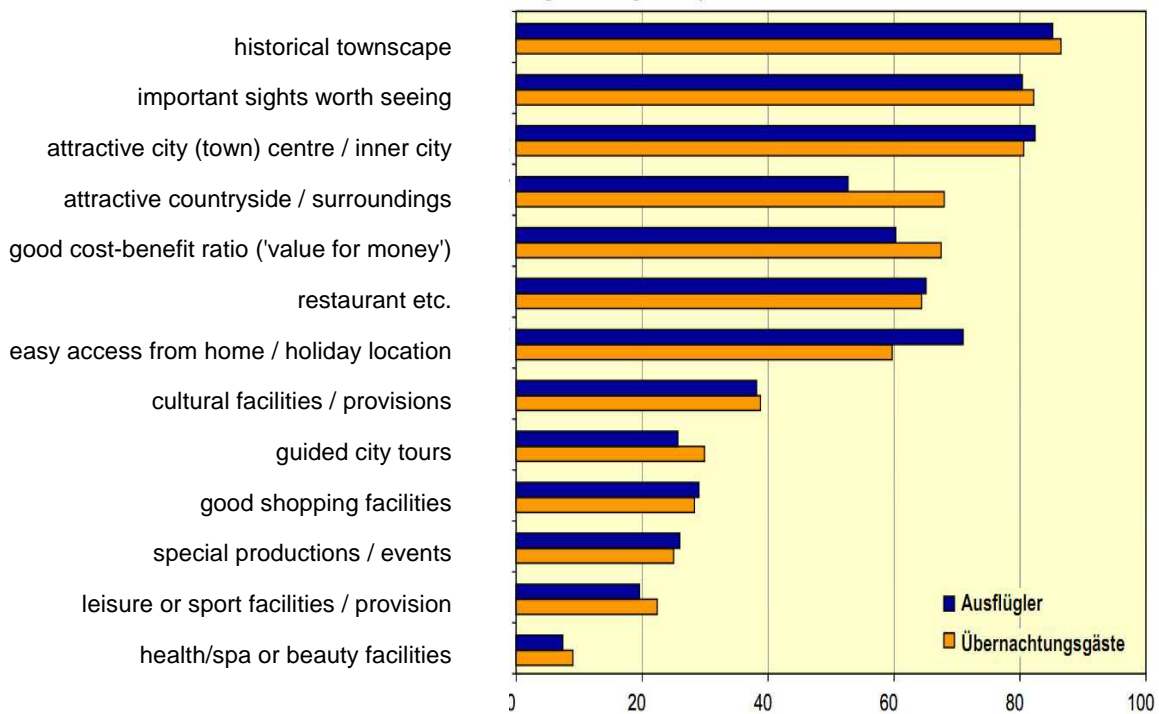
Some of the lessons learnt and recommendations made by these projects have been incorporated into the last section of this paper.

### Tourism

There are virtually hundreds of projects dealing with tourism - either on an individual (city), regional or even national basis. One gets the impression that attracting tourists is the answer to any urban economic problem. There are, however, several examples for failures. Thus the question is, what type of site advantages and tourism approaches are most promising.

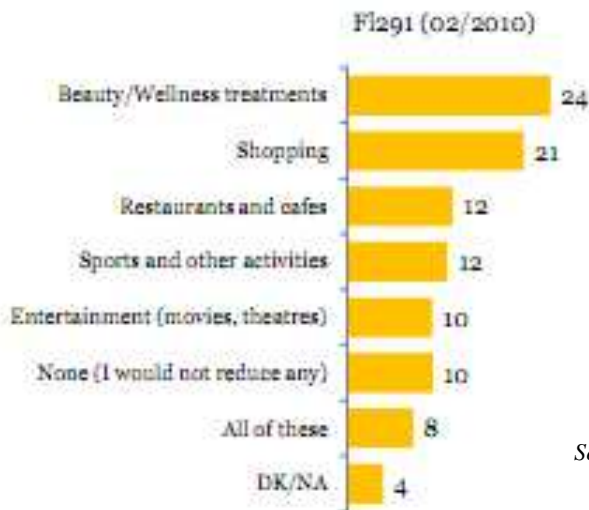
A German study on the development of tourism in selected cities and Eurostat statistical figures can help to answer this question.

Fig. 1: Tourism - survey on reasons for visiting a city



Source: Bundesinstitut für Bau-, Stadt- und Raumforschung (BBSR) (2006): *Tourismusentwicklung in ausgewählten Städten des Programms Städtebaulicher Denkmalschutz - unter besonderer Berücksichtigung der UNESCO*

Fig. 2: Holiday leisure activities that EU citizens would cut back on most in order to save money



Source: Eurostat 2011

These two figures suggest that some activity fields exist which are more likely to be successful than others. The latter seem to be much more vulnerable:

Table 4: Tourism - the value for money (effort) question

most promising activity field / site advantages	less promising activity field / site advantage
<ul style="list-style-type: none"> <li>cultural heritage (city, centre, quarters, 'individual sights')</li> <li>landscape and nature</li> <li>unique urban fabric</li> </ul>	<ul style="list-style-type: none"> <li>wellness / beauty / leisure / health</li> <li>shopping and related fields</li> </ul>

## Higher educational institutions

Practice examples from several partner cities in EU projects show that universities and other higher educational and science institutions can play a major part in innovating a city economy. A pre-requisite for this is, however, close cooperation between the municipality, the higher educational institution and the business sector. In doing this, universities and cities have different functions and tasks in the innovation process. The following table summarises the tasks most frequently fulfilled in successful projects:

*Table 4: Role and tasks of universities and cities*

universities and other higher educational and science institutions	city / municipality
<ul style="list-style-type: none"> <li>• skills, training and employee development (just one example: the Swedish region of Västra Götaland in cooperation with college: distance learning course for employees within SMEs and for students)</li> <li>• innovation knowledge transfer and supporting business (support structural economic change) (Gateshead (UK): Design Centre for the North: innovative design of new products by a 'triple helix' approach)</li> <li>• university spin-outs and graduate entrepreneurship (Enschede (Netherlands): programmes and courses on entrepreneurship: 700 new companies and 10,000 jobs)</li> <li>• access to funding support (Ireland: innovation voucher to overcome lack of in-house knowledge and skills in SMEs)</li> </ul>	<ul style="list-style-type: none"> <li>• improve exchange and cooperation (for instance: inclusion in planning processes; gaining added value through making use of knowledge and skills )</li> <li>• organising exchange processes of different stakeholders</li> <li>• support of specific activities of (for instance: internships, training courses)</li> <li>• spatial inclusion of campuses (through spatial planning, adding additional functions to campuses etc.)</li> <li>• social inclusion (events and socio-spatial activities)</li> <li>• economic inclusion</li> </ul>

## Organising valorisation of site advantages

Obtaining added value from site advantages is probably one of the most challenging tasks. If these site advantages had been positioned in the 'mainstream' of earlier planning ideas and development – i.e. if their advantages had been as it were accessible automatically – then they would have already been used. In many instances it appears, furthermore, that resistance/compunctions within the local population or within the political hierarchy as well with regard to valorisation may well play a part which should not be under-estimated (as an illustration of this cp. the reference to clinging to the image of an industrial city, as mentioned above).

To an even greater degree than many other municipal field of action, valorisation of site advantages therefore requires/pre-supposes an integrated planning approach and inclusion of a variety of stakeholder groups and of local inhabitants. Answering the following questions can help to incorporate the right skills, departments and stakeholders into a 'site advantage' project:

**Horizontal dimension** (departments within a municipality, for instance):

- Which other departments and disciplines are affected by potential measures?
- Which other departments and disciplines can potentially contribute to the project?
- Which policies, which political/policy commissions, committees or councils are affected?

**Vertical dimension** (other tiers of government, regional government, for instance):

- Is a government / an administrative body at a different level (region or district for instance) affected? Which departments at this level are affected?
- Can other government levels potentially contribute to a project?
- Are there legal regulations or mutual agreements requiring other levels to be involved?

**Beyond administrative boundaries** (other municipalities; private and business sector, civil society and social and community sector):

- Are other municipalities affected or can they potentially contribute to a project?
- Which stakeholders and stakeholder groups / representatives outside the public sector are affected?
- Which stakeholders and stakeholder groups / representatives outside the public sector can contribute to a project?

### **Selected results from the Op-Act workshop on site advantages**

During the workshop, representatives from partner cities dealt with the following questions:

- What site advantages exist in your city?
- What role can these play in the overall strategy of your city to mitigate challenges of shrinking and demographic change?
- What barriers exist in implementing 'site advantage' projects?
- What is needed to implement 'site advantage' projects and to overcome barriers?

The results of these small group discussions are included as an annex.

### **Good practice examples from partner cities**

#### **Landscape / environment / open space:**

*Eberswalde / Barnim region: water tourism initiative of North Brandenburg*

This initiative is a legal body, with 6 towns and cities and 3 regional institutions as partners. The aim is to provide economic impulse by means of water tourism, linking existing waterways into a network, building an adequate tourism infrastructure, linking water tourism to other forms (cycling, hiking, culture etc.) and creating a brand for marketing purposes. The project is divided in several sub-projects. Though only one of these sub-projects has been completed so far, first positive results can be observed. For instance, there has been an increase of 30 per cent in the charter boat business.

*Dabrowa Gornicza: Pogoria recreation area*

Due to renaturation of former mines (open-cast mines) there is a high potential for recreational functions for the whole Katowice agglomeration and possibly tourism, too. DG is at the moment developing the water front of Pogoria IV and III (2 out of 4 lakes). In addition, cycle paths around the lake area have been constructed. An as yet unsolved problem is the lack of hotel capacity in the city and lake area.

*Eberswalde: children's play principles applied in town planning - a new overall spatial planning concept in Germany for greater/better participation by children and young people in urban development processes*

Eberswalde has a lot of open space (sometimes derelict and unused) even in the city centre. These areas are, however, often unsuitable for children. The aim of the project is to create a more children and family-friendly environment, not only by building a few playgrounds, but by assessing the whole

urban area and giving guidance also to other planning disciplines and departments. This has been carried out by means of intensive participation processes in order to meet the real needs of the people.

### **Unique historic sites**

#### *Altena: 'edu-tainment' elevator to the Castle*

The museums alone, located above the city of Altena in the Castle area, are currently registering about 60 000 visitors per annum. However, at the same time, tourists leave the city 'lying beneath their feet'. Tourism has thus to date been scarcely an important topic for the economy or businesses in the municipality. An 'edu-tainment' elevator has therefore been planned to move people from the shopping street in the city up to the Castle. In this way, Altena is intending to bring additional tourists - and purchasing power – into the municipality. This project has been elaborated with intensive public participation and is being funded as part of structure promotion programme operated by the regional authority (Land) for particularly innovative projects. It is estimated to be completed in 2013. The project is being paralleled by a series of other measures – such as, for instance, townscape improvement/enhancement in the river promenade/corso in the city centre.

#### *Czestochowa (Dabrowa Gornicza): comprehensive renovation of the Pauline Monastery buildings at Jasna Gora in Czestochowa*

The aim of the project is to preserve one of the most important cultural heritage sites in Poland, not only for future generations, but also for the sake of tourism. Tourism was in danger of declining, due to bad conditions and the ruinous state of this Monastery. A comprehensive renovation project started in 2009 using ERDF funds.

### **Higher educational institutions / universities**

#### *Dabrowa Gornicza: Academy of Commerce and Business*

The Academy offers bachelor and master courses of study in different IT and management fields. Academy curricula are not only adapted to national Polish standards, but also to the needs of the economic sector in this region. This is achieved by means of close cooperation and exchange activities with relevant representatives of the business sector. In addition, the institution massively influences development in the region, and citizens' lives, by organising various initiatives supporting life-long learning - for example: the Science Festival, the Dąbrowa Górnicza Children's University, the Youth University or the University of the Third Age.

## **Strategies in Partner Cities**

### *Legazpi*

Peculiarities: sees at itself as a 'valley of iron', this being an important aspect of its heritage. Visualising this history is on the agenda. Potentials are seen in describing the history of iron-ore mining and processing, searching out its traces in the landscape and revealing them to tourists.

Strategies: lack of funding from the regional government has been a major impediment to tourism development in the 'valley of iron' so far. For financial support to be granted from the Basque government can be considered the chief request today.

### *Medias*

Peculiarities: Considers its cultural heritage, represented by historic castles and mansions, the most important issue. Increasing its value by tourist use is a vital matter within the field of regional development.

Strategies: Castles and mansions should be restored and tapped for tourism purposes. This can be considered the pivotal point in regional development.

Tourism can provide new jobs to retain well-skilled but currently unemployed residents. As yet, due to the traditional industrial economic basis of the region, tourism has not played any role to speak of. The crucial issue now is to communicate these questions to the public and involve the residents.

A local speciality in Medias is that people are skilled in traditional crafts such as glass blowing. Tourism can make use of the regional lore and knowledge by initiating manufacture of tourist artefacts rather than, as is the case today, industrial produce made of glass.

### *Leoben*

**Peculiarities:** In Leoben, innovative potential plays a key role, in particular that of Leoben University, of artists and the creative industry, of local entrepreneurs and the IT industry. These are to be combined together.

**Strategies:** Leoben's main objective is to attract and keep young people in town. Young people who have moved away for the sake of education and professional training are to be brought back in order to consolidate the population.

The university is a location factor which can stimulate urban development, thus making the town more attractive. Keeping knowledge in the town is the most important goal.

A further strategy consists in seeking out and bringing together stakeholders and prospective supporters for new projects. Once again, this is a matter of connecting the potential elements of the university and of the creative industries.

### *Eberswalde*

**Peculiarities:** The dual characteristics of natural landscape and cultural heritage can be regarded as Eberswalde's leitmotif, while the Finow Canal can be considered the spine of the town and its development. 20 years after German reunification, nature has recaptured part of the areas alongside the canal, and near-natural landscapes have evolved there. The particular appeal of the canal, however, is in its cultural heritage. As far as the north-east of Germany is concerned, the Finow Canal represents an unequalled industrial area.

**Strategies:** Similar to Legazpi's 'valley of iron', the cultural heritage should be utilised for tourism by refurbishing and presenting to the public the traces of industrial history.

It has been emphasised that tourism, in Eberswalde, can be an instrument to attract more residents and provide new jobs.

Until 1989, tourism hardly played a role in Eberswalde; this was an industrial town, with the majority of the inhabitants being industrial workers. Ever since then, business has diversified a lot. The service industry has gained notable importance. In view of this, more people would benefit from a well-developed tourist industry today.

In order for this development to happen, a certain range of facilities must be provided by public authorities. Then private businesses will have to create new possibilities or provision. The public-private partnership (PPP) model is to be preferred in the overall view.

(for further examples: comp. annex)

## **Lessons learnt and key success factors**

An analysis of EU projects mentioned above, recommendations by these projects and discussions within the Op-Act network suggest the following overall recommendations:

- ensure political will and support: this is essential, because, generally speaking, in initiating 'site advantage' projects you are entering 'virgin land' (territory),
- 'site advantage' projects should be part of an overall strategy: this makes it easier to overcome barriers and to include the projects into the urban policy making process,
- implement 'site advantage' projects - if possible - as key projects for absent/lack of action(s) in implementing an overall existing strategy,
- ensure sufficient and sustainable resources,
- consider the 'costs' of doing nothing.

In addition, there are several key recommendations in more specific fields of action. The most important of these are the following

**Higher educational institutions / knowledge hotspots:**

- include these organisations into the city (social, economic and space-wise)

**Cultural (industrial) heritage:**

- use cultural heritage sites as 'detonators' / triggers for other policy fields

**Waterfront projects:**

- turn waterfronts into flagships / figureheads of the city (but avoiding social exclusion)

**Tourism:**

- SMEs depend on regional cooperation, develop a targeted, but comprehensive product

## Annex

	Altena	Dabrowa Gornizca	Eberswalde	Legazpi	Leoben
site advantage	Altena Castle River Lenne landscape	4 lakes / landscape lot of empty spaces for housing or investment areas (e.g. greenfields) good traffic connections university	Centre of the region Near to Berlin HNEE University brownfields in the city centre offer opportunities for development major potential along the Finow canal	Industrial heritage Very lively town with many cultural events landscape Space for housing	Many industrial jobs University Lively city centre
what role in strategy?	site advantages are connected in a strategy for tourism + city development	strategy is the result of analysing the advantages	developing the site advantages is part of the strategy		
barriers	Altena people have to become aware of the advantages	Financial problems Some private properties not available or too expensive Long + very bureaucratic procedures	Financial problems Some private properties not available or too expensive No investors for tourism infrastructure along the canal Residual pollution	Financial problems, especially for housing-projects No credits/loans for young people 15 000 sq.m. of empty + contaminated industrial land	No space for new housing No influence on private owners of empty apartments Many commuters from outside
what is needed ?	Concept + strategy for a new mixture in the medieval shopping area	Shorter and simplified procedures More regional cooperation	Actions on target groups in Berlin	Strategy to retain young people in the town	Strategy for empty apartments