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Strategy Development in Contemporary Urban Regeneration Practice: The case of Larnaca

1. Introduction

This case study is based on the work undertaken during the study visit by the SURE network to Larnaca in February 2011. The study visit was designed to explore the strategy development process for the SURE target area in the context of the strategic frameworks that are being established for the city as a whole.

The case study begins with a brief overview of core concepts of strategy development. This is followed by a presentation of the information gathered during the study visit which is then discussed in relation to core ideas around strategy making in regeneration contexts. A number of implications for the development of strategy for the SURE target area in St John as then identified in the concluding part of this case study.

2. Theory and practice of strategy development in contemporary regeneration

Contemporary regeneration practice requires professionals and politicians to work across organisational and departmental boundaries to address the complex challenges as well as opportunities found in urban regeneration contexts. However, working with a wide range of stakeholders across different sectors and organisations tends to expose conflicts of interest which are rooted in contrasting interests and cultures of the stakeholders. Partnership structures are therefore essential to co-ordinate diverging interests and to develop shared priorities, yet it is often a challenge to convince decision makers and officials from different organisations that they should come together to form a partnership to solve socio-economic problems collaboratively.

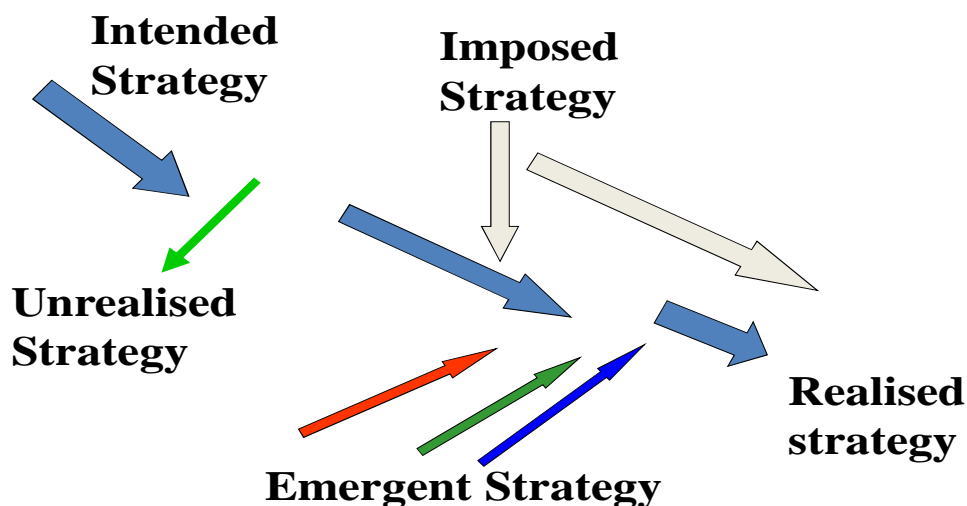
In addition to arrangements that facilitate collaborative working, there is a need for strategic frameworks which guide the development and prioritisation of proposals intended to address the socio-economic problems of an area. However, such frameworks are often not explicit when they begin to emerge. Senior officials, business people or politicians often know how 'things are shaping up' because they make informal and often far-reaching decisions about regeneration priorities for an area. By the time such informal agreements are formalised in strategic proposals, for on example economic development, transport or housing, many important decisions on the content and process of regeneration strategy have already been made. Partners who attend the formal partnership meetings but are not involved in these informal decision making processes then often feel left out and begin to either drift away from the core business of the partnership or generate alternative strategic proposals which need to be dealt with. Some partnership display clear divisions between 'insiders and outsiders' of the decision making processes, which can lead to tensions and can cause serious problems with regard to the development of a coherent vision for an area¹.

Once partners have come together and found agreement on a strategic vision for the regeneration of an area they face a further challenge. This challenge arises from the fundamental tensions between hierarchical, linear and prescriptive approaches to strategy making, and perspectives which see regeneration strategy as complex, iterative and cyclical. The influence of legal planning frameworks, government policy and bureaucratic organisational structures support linear and predictable strategy processes. Important stakeholders of the regeneration process, such as politicians, residents, NGOs and local businesses, on the other hand, often support less predictable and more emergent strategy processes. Such emergent processes are difficult to plan and secure resources for, hence there is a tendency to favour more predictable and prescriptive approaches, particularly in regeneration contexts where funding tends to be time limited and focused on defined outcomes.

We know that in practice regeneration strategy emerges through both a purposive linear process which defines the 'intended strategy' and through incremental steps and unplanned events which define the 'emergent strategy'. However, the challenge of balancing intended strategy with emergent and imposed strategic drivers is not unique to regeneration managers but applies to all organisations. A widely used concept developed by Mintzberg (1987)

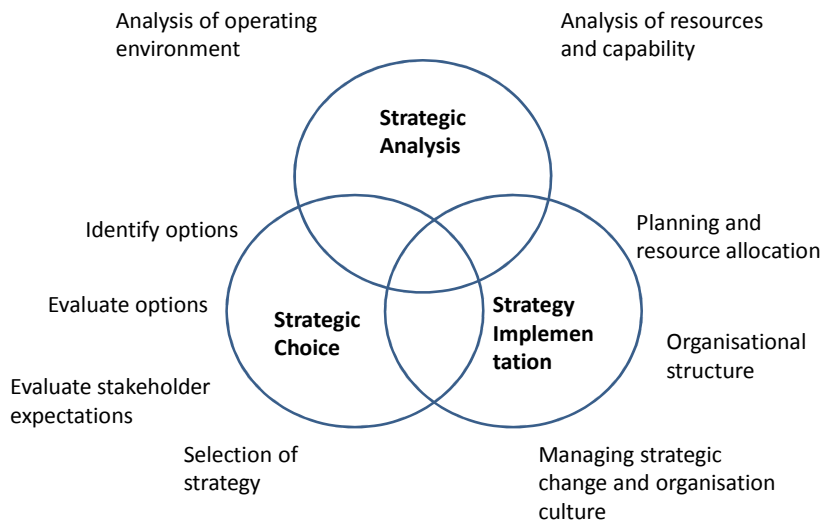
¹ There is a wide range of publications dealing with this topic. Good starting points for further reading include: Taylor, M. 2000. ***Top down meets bottom up: Neighbourhood Management***. York: Joseph Rowntree Foundation, Taylor, M., Wilson, M., Purdue, D., & Wilde, P. 2007. ***Changing Neighbourhoods: Lessons from the JRF Neighbourhood Programme***. Bristol: Policy Press, Wilks-Hegg, S. 2000. ***Mainstreaming Regeneration: A review of policy over the last thirty years***. London: Local Government Association.

suggests that the outcomes of the strategy process are a result of the interactions between planned, imposed and emergent strategic opportunities. Managers have to define a coherent strategic vision, remove elements which become unachievable, accommodate pressures which impose unforeseen requirements, and harness opportunities as they emerge throughout the strategy process. Regeneration managers face an additional challenge: They have to achieve a balance between these conflicting strategy drivers not only for one organisation, but for the stakeholders in the regeneration partnership, which as we have seen, may have contrasting interests and perspectives on strategy making.



Based on: Mintzberg (1987), Crafting Strategy

In order to successfully deal with both intended and emergent strategy managers in regeneration contexts have to engage in a continuous process of strategic analysis, evaluating options and deciding on implementation. Strategic analysis is concerned with the political, social, economic, legal, technical and physical environment as well as the resources and capabilities that are needed. Strategic choice is about identifying and evaluating options, which is supported by partnership structures and consultation processes. Strategy implementation then focuses on planning, resource allocation and organisational structures deemed necessary to deliver the planned interventions. Diamond and Liddle (2005) developed model of this process which draws on fundamental concepts of strategy in commercial organisations but has been adapted to reflect the distinctive nature of the strategy process in regeneration contexts:



Based on Diamond and Liddle, 2005, p.75

The two concepts presented here help us understand why regeneration practitioners have to review a complex range of data and options while, at the same time, balancing top-down and prescriptive modes of strategy making with strategic drivers which favour a bottom-up, experimental and emergent approach to strategy. In the following section we will explore the extent to which the strategy development process in Larnaca reflects these principles and how they are experienced in practice.



3. Strategy Development in Larnaca

The study visit to Larnaca was designed to explore the strategy development process for the SURE target area in the context of the strategic frameworks that are being established for the city as a whole. As the tourist industry plays a central role in Larnaca a particular focus was put on the exploration of the role tourism in the development of regeneration strategy.

This case study is based on the work undertaken during the study visit by the SURE network to Larnaca in February 2011. The study visit lasted for two days and included local as well as visiting LSG members, politicians and officials from the SURE partner organisations. Information was provided through site visits, briefing notes and presentations from the municipality, and external experts (see Appendix I for the agenda of the meeting). Two briefing papers were issued to participants prior to the visit: one focused on the topic of strategic approaches to collaboration and the other on strategic approaches towards the protection and utilisation of architectural heritage.

2.1 Current strategic initiatives in Larnaca

With 80,000 residents Larnaca is the third largest city in Cyprus and the main entry point for 2 million visitors to southern Cyprus. While providing the main access point to Cyprus, Larnaca itself is not a major holiday resort and on average hosts approximately 10% of the total tourist population. The main function of the city is to provide a wide range of services to support tourism and other industries in the region.

Larnaca is at a turning point in its development. The city has set in motion a range of strategic initiatives which are intended to re-position Larnaca as the 'European Gateway to the East'. There are three key strategic initiatives which are expected to be catalysts for the transformation of the city:

- A new airport with an annual capacity for 1.8 million passengers located 10 miles from Larnaca.
- The development of the largest passenger port in the mediteranian, intended to provide an attractive stop-over for the growing number of cruise liners.
- A new marina for 800 vessels with a hotel and leisure complex in close proximity to the town centre.

In addition, Larnaca is pursuing a number of ambitious complementary developments including a new golf course, an Olympic grade rifle range, new public squares and a wildlife centre at a wildlife reserve with international status. All these strategic initiatives are either under construction or at the contracting stage. When taken together it is anticipated that Larnaca will be

transformed into a services hub of international importance while improving support for the tourism industry in Cyprus at the same time. The vision for the city of Larnaca to be a 'European Hub' for trade and tourism which benefits from its geographical position as one of the largest islands in the mediterranean and the most easterly outpost of the European Union member states.

2.2 Current situation of St John

St John is the SURE target area. For 4,000 years the area has been continuously inhabited and St John provided the nucleus for the modern city of Larnaca. In medieval times the St John area was the seat of the bishop and an important inland trading post. Over time the harbour town, which was then called 'Scala', continued to expand and in the 19th century St John became part of the urban fabric which had grown up around the harbour. Since then the name 'Larnaca' was applied to the whole urban area and St John was the district where trade people and artisans lived, providing services for the wealthy merchants who then lived close to the harbour and the sea front.

St John has remained a working class neighbourhood which is inhabited primarily by people on low incomes. The separation of Cyprus has had a dramatic impact on St John because Turkish Cypriots had to leave their homes in St John and were replaced by Greek Cypriots fleeing from the Turkish occupied north. Many of the residents who came to St John during this period are still tenants in homes which belong to Turkish Cypriots who now live in the north of the island. These tenants pay a rent which is heavily subsidised by the Cypriot government and there are very few cases where the owners of properties are willing to sell because many are hoping to be able to return to St John in future².

Because of this situation, and the fact that all property in the target area is in private ownership, the housing market in St John is largely static. Very few properties come up for sale, and a large number of buildings suffer from decades of neglect or stand entirely empty because the owners do not live in St John and have little interest in modernising or maintaining their property. As a result of this lack of investment the architectural style of the 1930s has been largely preserved in St John. In recent years the municipality created a planning policy which prevents owners from substantially changing the appearance of buildings and requires new developments to be sympathetic to the overall character of St John.

Some owners appear to let houses fall into disrepair on purpose so that they can be demolished rather than repaired in ways which are in line with current planning policy. However, current building regulations do not permit new

² For further details on the target area please see the SURE baseline study at:
http://urbact.eu/fileadmin/Projects/SURE/outputs_media/SURE_baseline_study_FINAL.pdf

developments beyond the existing low rise nature of the area which represents a disincentive to potential investors. Furthermore, the plots that are becoming available are very small, usually less than 100 square metres, which also represents a barrier to investment in property development in St John.

St John has one of the highest urban densities in Larnaca, with 85% of the land area being occupied by residential buildings, the remainder being used for roads and very few squares or open spaces. Historic building patterns created a situation where the properties that stand next to a street have further houses behind them that can only be accessed on foot via narrow alleyways. Transport connections between St John and the rest of the city are poor. Although St John is only 1.5 kilometres away from the city centre and the sea front, the medieval street pattern and the existing modern road networks make vehicular access difficult and has resulted in poor public transport links.

The local community is close knit, population turn-over is low and there is almost no recorded crime. Local volunteers run a sports and social club with little support from the municipality. This results in a limited range of activities that are available to young people who seek facilities outside the target area. St John church has given the quarter its name and to this day the church plays a crucial role in the local community. Not only is the church of St John a listed monument of international importance, it is also the source of much social and spiritual support which attracts people from across Larnaca. While the people of St John identify themselves very strongly with their neighbourhood, the area is not generally recognised as a distinct neighbourhood within Larnaca.

4. Analysis

A substantial amount of information was generated during the study visit which included presentations, site visits, discussions with local representatives and workshops. The analysis below is structured around the contributions made by the participants of the study visit, including the Local Support Group (LSG) for St John, the municipality, the visiting thematic expert and the visitors from the SURE network.

Strategic perspectives of the Local Support Group

At the time of the study visit the LSG had held two formal meetings and there was little to suggest that LSG members were involved in a process of identify and evaluate strategic priorities for the area. Instead the local strategy

process appeared to depend on informal discussions among residents, local politicians and officers from the municipality. Ideas for the target area that emerged from this process so far include:

- Holding fares and themed markets,
- Encouraging investment in small businesses such as local crafts, bed and breakfast accommodation or a restaurant and
- Establish a heritage museum.

The link between higher level policy and strategy pursued by the municipality is provided by the local politician representing St John. Communication between the local politician and the members of the LSG was frequent but informal.

Strategic approaches by the municipality

The municipality has developed large scale programme to upgrade the existing main roads which run along the perimeter of the target area and this is expected to improve bus services for St John. Within the target area the municipality will re-surface a central road and install a sewerage system for St John at the same time. The re-surfacing will focus on a circular route which follows the medieval street pattern and connects the church, café and open space that are at the centre of St John. High quality materials will be used to emphasise the historical nature of the area and to make a statement about the significance of St John as a distinctive neighbourhood within the context of Larnaca. This infrastructure project is designed to create better links between St John and the surrounding areas and make the area attractive to visitors.

In addition, the municipality has agreed to undertake a compulsory purchase of an important derelict building which is designated to become a local history museum. Two plots of derelict land are also under consideration for the provision improved car parking space.

Strategic perspectives of visiting thematic expert

This study visit was designed to capture a diverse range of perspectives. The contribution from a visiting thematic expert, Nils Scheffler, who himself is leading an URBACT network on the regeneration of cultural heritage in historic cities, was therefore arranged. The expert participated in group discussions, site visits and meetings with local residents as well as the local press. Key issues raised by the expert include:

- Define the townscape characteristics that need to be protected
- Identify valuable buildings which capture the style of the area
- Develop financial incentives that encourage property owners to maintain their property in keeping with historic identity of the area
- Develop and apply urban design guidelines to control property development and restoration

- A communication strategy to establish a dialogue with property owners and other residents
- Analysis of the tourism function of the target area in relation to the tourism strategy for Larnaca
- Improve access to the area by public and private transport

A summary report of the visiting thematic expert containing further details and recommendations can be found in Appendix 2.

Strategic perspectives of visiting SURE partners

In addition to the site visit, presentations and discussions with residents, the study visit included three workshops where SURE partners reflected on what they had seen and heard. In one these workshops participants were asked to identify challenges and opportunities for the target area. Below is a summary of the key challenges and opportunities that were identified with further details provided in Appendix 3.

Key challenges:

- Poor infrastructure for cars and pedestrians
- Lack of services such as shops, public transport
- Lack of open spaces
- Poor state of buildings with owners showing a lack of responsibility for maintenance
- Keeping people in the area as well as attracting new residents
- Lack of appropriate partnership structures to improve the area
- Lack of strategic linkages between the vision for Larnaca and the needs of St John

Main opportunities:

- Historic quality of the area
- Good location and spectacular views
- Scope to develop new, high quality buildings
- Opportunity to introduce innovative land use policies
- Restore buildings for guest houses and museums
- Potential to develop a strong and distinctive brand for St John
- Faith based tourism potential
- Archaeological excavations to develop more local attractions

In a final workshop participants were asked to identify the key strategic priorities for the regeneration of the target area. These included the following:

- Local people must be at the centre of the regeneration process
- More community involvement
- The Local Action Plan needs a higher profile
- Connect the Local Action Plan with other strategies for the city
- Explore the tensions between tourism and interests of local residents

- Explore the tensions between economic interests and heritage preservation
- St John is not an infrastructure but socio/economic development project
- Develop a strategic funding package for St John

Further details on suggestions made by study visit participants are in Appendix 3.

5. Discussion

The analysis of the information collected during the study visit shows that participants perceived the needs and opportunities of the SURE target very differently. LSG members perceive the needs and opportunities in their neighbourhood in a very specific way, while the visiting thematic expert and SURE partners were using higher level concepts to identify potential responses to the needs and opportunities of St John. These contrasting strategic perspectives are now discussed in turn.

Experience shows that when LSG members are enabled to adopt a strategic perspective they begin to look at their neighbourhood as a whole. This entails looking beyond their individual interests and perhaps those of their friends, the interests of their street or their particular quarter within the neighbourhood. Adopting such strategic perspectives does not come naturally to most residents however and local communities frequently require support to think and express themselves strategically. The small scale and very specific suggestions currently discussed by the LSG in St John points to a limited ability to see beyond the status quo. This situation is not unique or unusual. In almost every town in Europe local communities are asked to contribute towards the strategy process, but lack the capacity to do so. This is why the URBACT II programme provides a toolkit for LSGs which contains guidance and methods that support the development of the partnership and a strategic vision³. In addition, URBACT makes funding available specifically to develop the capacity of LSGs to undertake strategic analysis and develop strategic choices for their neighbourhood. In the case of the SURE network each LSG has €7,600 available for capacity building and support to develop their action plan, which is in addition to funding for travel so that LSG members can participate in SURE network meetings, such as study visits.

The municipality of Larnaca has a very clear and ambitious strategic perspective for the development of the city. Becoming a 'European Hub' and the 'European Gateway to the East' are strategic visions which are

³ The toolkit is available in several languages. To access the toolkit click this link choosing URBACT II Programme Documents and Methods & Tools: <http://urbact.eu/en/header-main/documents-and-resources/documents/>

underpinned by concrete action plans encompassing almost every aspect of urban development, including transport by air, road and sea, housing, retail and leisure development. How St John fits into this strategic framework is less clear, however. Using Mintzberg's concept of strategy, introduced at the beginning of this report, suggests that Larnaca's 'intended strategy' is aimed at becoming a key location for European business, trade and leisure. St John, on the other hand, would seem to fit into the category of 'emergent' strategy. This is a situation where an opportunity arises at a time and in a way which promises to support the intended strategy, perhaps offering added value to the realisation of the overall strategic vision for the city.

The information collected during the study visit suggests that the approach taken by the municipality to strategy development for St John is almost exclusively focused on the implementation of a predictable engineering project. A lack of strategic analysis of the opportunities and needs of St John results in a lack of strategic choices for the area (see the model by Diamond and Liddle at the beginning of this report). The Local Action Plan could provide a counter-balance to the rational, top-down strategy pursued by the municipality, by creating a bottom-up and emerging strategic vision for the area. As little investment had been made, at the time of the study visit, to support the emergence of such a strategy it would appear that the scope for St John to feature as a central element of the intended strategy for Larnaca is limited.

The suggestions put forward by the visiting thematic expert are almost entirely focused on higher level issues, such as defining the distinctive features of the St John area, developing economic incentives or a communications strategy. An emphasis was also put on creating a vision which captures the distinctive quality of the townscape and an analysis of the distinctive features of the buildings in St John. Exploring these suggestions in more detail would create strategic options which could then be evaluated and prioritised for action in the Local Action Plan.

Similarly, the visiting members of the SURE network focused on strategic issues and identified a number of weaknesses in the approach taken so far while also pointing to opportunities and challenges that would need to be tackled. This included supporting the LSG in creating a Local Action Plan which reflects their ambitions and displays clear links to the wider strategy framework for Larnaca. Many of the suggestions made by SURE participants and the visiting thematic expert begin to provide valuable building blocks for the development of a strategic framework for St John.

6. Conclusion

This case study is based on information collected during the SURE study visit to Larnaca and which was then discussed in relation to two widely used concepts of strategy making. The analysis and discussion of the collected information shows that there are two contrasting perspectives on strategy development for St John. One is characterised by a focus on implementation and tangible outcomes which creates few strategic options and choices. The other generates a range of higher level perspectives about the strategic direction for St John. The challenge for regeneration practitioners and other decision makers in Larnaca is to create synergy between such contrasting strategic perspectives. This is because each perspective is relevant and important, but pursued in isolation will fail to bring about integrated strategies for the sustainable regeneration of deprived neighbourhoods – as the substantial body of expertise generated by the URBACT programmes testifies.

Regeneration practitioners and political decision makers frequently face dilemmas resulting from having to balance strategy drivers for quick, tangible and predictable interventions with more emergent and creative approaches to strategy making. All regeneration initiatives are time limited, however and SURE is no exception. With the deadline for the submission of Local Action Plans rapidly approaching⁴, Larnaca may be in danger of missing an important opportunity to establish a robust strategic linkage between the regeneration of St John and the major strategic developments which will transform the rest of the city.

Hans Schlappa
28th March 2011

⁴ SURE partners are committed to produce the first complete draft of their Local Action Plans in November 2011, with final plans to be submitted to the lead partner in June 2012.

Further Reading

- Diamond, J., Liddle, J. (2005), ***Management of Regeneration***, Routledge
- Mintzberg, H. (1987), ***Crafting Strategy***, Harvard Business Review, July – August, pp 163 - 170
- Taylor, M. 2000. ***Top down meets bottom up: Neighbourhood Management***. York: Joseph Rowntree Foundation.
- Taylor, M., Wilson, M., Purdue, D., & Wilde, P. 2007. ***Changing Neighbourhoods: Lessons from the JRF Neighbourhood Programme***. Bristol: Policy Press.
- Wilks-Hegg, S. 2000. ***Mainstreaming Regeneration: A review of policy over the last thirty years***. London: Local Government Association.

Appendix I

Agenda for the SURE study visit to Larnaca



AGENDA

1st STUDY VISIT OF SURE NETWORK

SURE - Fostering diversification of local economies by using innovative Socio-economic methods of Urban REhabilitation in deprived urban areas

URBACT II project

Organised by the Municipality of **Larnaca**, Cyprus

7-8 February 2011, Larnaca, Cyprus

House of Arts and Letters

Study visit AGENDA – 6 February, 2011

Arriving to LARNACA

All partners are welcomed in Livadhiotis City Hotel*** (50, Nicolaou Rossou St - <http://www.livadhiotis.com>). Booking and transportation from/to the airport shall be organised by the participants. Please note that URBACT Secretariat pays the attention in the newly revised Programme Manual, that taxi invoices are eligible only when there is no cheaper option, or there are no other options at all.

If you need any help, please contact Ms Mirto Katsouri directly:

Mirto Katsouri
Information Officer
Europe Direct Larnaca
Tel and Fax: 24620993
Mobile: 00357 99895298
Email: europedirectlarnaca@cytanet.com.cy
www.eudirectlarnaca.eu

Please send her the filled in travel forms.

The partner meeting will take place at the House of Arts and Letters (Makarios Avenue, Nicolaidis Building).

20.00 Welcome dinner at MILITSIS Restaurant. All meet at hotel entrance for walking to the restaurant. Escort by Larnaka Municipality representative

Study visit AGENDA – 7 February, 2011

8.15 Meet at Livadhiotis City Hotel entrance. Walk to the House of Arts and Letters accompanied by a Larnaka Municipality representative

8.30 Registration in the lobby of the the House of Arts & Letters

9.00–9.30 Welcome by the Mayor of Larnaka Mr. Andreas Moyseos

9.30–10.00 History of the SURE target area St Johns by the Deputy Mayor Mr. Alexis Michaelides

10.00–10.30 Strategic context of the SURE target area: Mr. Lefteris Embedoklis, Chief-Executive-Municipality of Larnaca

- 10.30–10.50 Coffee break
- 10.50–11.00 Thematic focus and framework for this study visit: Hans Schlappa
- 11.00–11.30 The physical and economic environment: Challenges, opportunities and strategic responses from the municipality: Andreas Karakatsanis, Chief Engineer of Municipality of Larnaka
- 11.30–12.00 The social environment: Challenges, opportunities and strategic responses from the municipality: Prof Kesaras Mavratsas, Professor, University of Cyprus
- 12.00–12.30 The work of the Local Support Group in Larnaca: Progress so far and future work programme: Mr. Mohamet Shaaban- Deputy chairman of Anagenisis educational and sporting club. LSG member
- 12.30–14.00 Lunch: MARZANO RESTAURANT (Nicolaidis Building)
- 14.00–16.00 Site visit to the SURE target area: Focus on the heritage value, tourism potential and transport links; meeting of the LSG
- Representatives from visiting LSGs remain in the target area to meet the local LSG members; city representative return to House of Arts and Letters
- 16.30–17.30 Return to House of Arts and Letters
- Workshop I: Reflection on the site visit and identification of the key challenges Larnaca faces: Hans Schlappa
- 19.30 Bowling Competition and Finger Food at K-Bowling

Study visit AGENDA – 8 February, 2011

- 8.15-8.30 Meet at Livadhiotis City Hotel. Walk to the House of Arts and Letters and registration in the lobby of the the House of Arts & Letters
- 9.00–10.45 SURE Network administrative matters
- 10.45-11.00 Coffee break
- 11.00-11.45 Update from SURE partners on progress with LSG locally
Feedback from visiting LSG members: What Larnaca could do more of or differently to engage local communities
- 11.45–12.15 Strategic structures for the engagement of local communities in the regeneration process - The case of the RAPID Programme in Dun Laoghaire-Rathdown: Dave Lawless

- 12.15-12.30 Reflection and open forum: How strategic is Larnaca in engaging local stakeholders?
- 12.30–14.00 Lunch: Restaurant 'Kapos Alios',
- 14.00–15.00 Developing tourism strategies in the context of Cyprus: Mrs. Fani Pasxalidou,-Cyprus Tourism Organization
- 15.00–15.20 Developing integrated strategies for heritage and tourism development: Nils Scheffler, Lead Expert of the URBACT HERO network
- 15.20-16.30 Workshop II: Opportunities and challenges for the development of an integrated regeneration strategy for St Johns: Hans Schlappa and Nils Scheffler
- 16.30-17.00 Summary of main issues raised by the study visit and key actions for the host city: Hans Schlappa and Andreas Karakatsanis
- 19.30 Dinner at taverna ,to steki tis pareas'

The language of the whole meeting is English.

Presentations will be handed out at the venue.

Restaurants and meeting venue are withing walking distance from the hotel.
Transportaytion to the target area and bowling alley will be arranged by the Municipality

Appendix II

Summary Reports of Visiting Thematic Expert Nils Scheffler

Briefing paper for the 1st Study Visit of SURE network, 7-8 February 2011, Larnaca, Cyprus

DEVELOPING INTEGRATED STRATEGIES FOR THE REGENERATION OF HISTORIC NEIGHBOURHOODS BASED ON HERITAGE AND TOURISM DEVELOPMENT

drawn on the experience of the HerO network

Benefits of/ opportunities through cultural heritage and tourism for the development of historic neighbourhoods

Cultural heritage

Neighbourhoods shaped by its cultural heritage – monuments, groups of buildings, historic sites, social values and traditions – present a multitude of opportunities and economic, social and environmental benefits in support of being an attractive and liveable place.

Economic benefits

The revitalisation of historic urban areas and the safeguarding of cultural heritage can contribute to the creation of jobs, businesses and economic growth.

Social and cultural benefits

The revitalisation of historic urban areas and the safeguarding of the cultural heritage contribute to provide a place for cultural and creative activities; provide local identity, pride and community spirit for a place to live and work; activate citizens to get involved in the urban development.

Environmental benefits

The maintenance and reuse of the historic fabric, in particular of historic buildings contribute to the efficient handling of natural resources.

Giving Identity

Historic neighbourhoods with well-maintained cultural heritage provide a distinct identity and image, effusing a feeling of home, community, likeness and appreciation. Well-maintained cultural heritage serves also to develop a positive image to external people as a unique soft location factor of attracting enterprises, skilled working force, inhabitants and tourists.

Tourism

Tourism can bring historic neighbourhoods several benefits, in particular by:

- creating reasons to invest in the neighbourhood's heritage - heritage becomes associated with the prosperity and economic vitality because it attracts visitors and their spending;
- bringing back derelict historic buildings into productive use;
- helping to keep alive local traditions and events;
- generating economic value and contributing to local income;
- supporting locally produced food, drink and crafts because visitors create an additional and market for niche interests and products;
- creating markets for new micro-businesses and may help retain local talent and/or help create reasons and opportunities for people to live where they work;
- raising the image and profile of the neighbourhood as a place to visit, live and invest.

Typical challenges for the development of historic neighbourhoods based on cultural heritage and tourism assets

Cultural heritage

Historic neighbourhoods with unique cultural heritage have three mayor challenges:

- Safeguarding the cultural heritage and the visual integrity: protection vs. interests of utilisation and exploitation;
- Keeping multifunctional neighbourhoods: competition of functions endangering multifunctional character i.e. tourism functions push out 'traditional' inhabitant functions (housing space and daily goods retail stores) or increasing rents for housing as commercial uses bring higher rent;
- Balancing the wide-ranging demands placed on historic neighbourhoods by residents, visitors and tourists as well as businesses, which bring historic neighbourhoods into a highly contested arena of diverse and often conflicting interests and development ideas, i.e. prevention of historic "Disneyland" neighbourhoods, which many tourist and visitors appreciate, but many inhabitants find inhospitable.

Historic neighbourhoods have to 'learn' to address the challenges: to match the inherited urban structure, identity and buildings (the '*cultural heritage*') with the demands of its users and to turn the cultural heritage, both material and immaterial, into a prime resource to fulfil these competing demands, without downgrading its intrinsic qualities.

Tourism

Tourism can challenge historic neighbourhoods, too, it can:

- lead to the erosion or destruction of cultural heritage (built, natural, visual);
- undermine both the sense of place and cultural identity;
- can create changes in the social fabric and loss of diversity;
- endanger the local economy by fostering overdependence;
- led to haphazard and unplanned developments because of the promise of economic benefits.

Characteristics of integrated strategies for the development of historic neighbourhoods

Integrated strategies for historic neighbourhoods link the sustainable safeguarding and development of the area and their cultural heritage with the intention to have an attractive, competitive and multifunctional place. They aim in particular at

1. safeguarding the cultural heritage values of a place;
2. developing and ensuring attractive, competitive and *multifunctional* historic urban areas;
3. co-ordinating and managing the demands of the cultural heritage and of the “users” of historic urban areas as well as conflicting interests and functions;
4. raising the appreciation and awareness about the cultural heritage values.

Thus, an integrated strategy determines and establishes the appropriate objectives, actions and management structure to safeguard the cultural heritage and to balance the different demands while using historic urban areas and their cultural heritage as a significant development asset.

Herewith, dealing with different field of actions is important to ensure the integrated development of historic neighbourhoods, as cultural heritage of historic neighbourhoods is affecting and interacting with a great variety of communal fields in the historic area. Most obviously with the preservation of the cultural heritage (restoring and re-using buildings and land), but also urban planning and development (urban design, housing, accessibility and mobility, leisure), tourism, culture, education and awareness raising are relevant fields, too. In connection with modern challenges like climate change and the modernisation of infrastructure also economical, environmental as well as research issues are touched. The “list” of relevant related fields can change from location to location, depending on the local situation.

Nils Scheffler, 18.1.2011

REGENERATION OF ST. JOHN IN LARNACA – ANALYSIS AND RECOMMENDATIONS

Current Situation

- Dense mono-structural housing area with small and old buildings;
- Buildings in need of rehabilitation, partly empty and derelict sites;
- Well rehabilitated old Church (St. John), which provides a focus for the neighbourhood and is the main place where the community comes together;
- Narrow streets, few open spaces or squares in poor standard;
- Barely non-existence of stores of daily goods and other kind of services of daily needs (i.e. hair cutter);

Challenges

- Proper rehabilitation of the buildings, restoring/ safeguarding the historic townscape characteristics (keeping the visual integrity/ identity of the area);
- Proper integration of new buildings, respecting the historic townscape characteristics;
- Adaptation of the buildings and utilisation of the plots with regards to nowadays needs of housing/ living (i.e. more housing space/ bigger houses, parking space for cars) without jeopardizing the historic townscape characteristics (matching the inherited urban structure and buildings with the demands of its users);
- Re-using vacant buildings and sites to provide functions/services of daily needs;

To “think about” and proposals for actions

Restoring/ safeguarding the historic townscape characteristics

- *What are the true key reasons, why people do not invest in the rehabilitation of their building?*
Develop solutions to overcome these reasons.
- *Which reasonable demands do property owners and tenants have with regard to the use and adaptation of their property / plot / building (housing / living standards)?*
- *What are the historic townscape characteristics, which should be safeguarded (in particular concerning the design of the buildings)?*
Apply appropriate instruments to safeguard the identified townscape characteristics.
- *Are there conflicts between the demands of the property owners/ tenants and the restoring/ safeguarding of the historic townscape characteristics?*
Find sound solutions which balance the demands of the property owners/ tenants and the historic townscape characteristics. It is not only about safeguarding the historic townscape characteristics or only about the demands of the property owners and tenants.

As the restoring/ safeguarding of the historic townscape characteristics is the foundation in order to tap the tourist potential of the neighbourhood, it is of outermost importance to incite property owners to invest adequately in their property. For this a mixture of coordinated instruments should be developed which

- have the intention to prevent the improper rehabilitation or even demolition of the townscape characteristics. Most effective instruments in this field are **requirements, bans and rules**;
- incite or facilitate the property owners as well as tenants to maintain and properly rehabilitate the building by **economic incentives**;
- sensitise property owners, tenants, architects, etc. for the demands of the historic townscape characteristics via **public relation and awareness raising**.

Example for requirements, bans and rules

One well-functioning instrument in the area of requirements, bans and rules is **urban design guidelines** for the rehabilitation of buildings and the constructing of new buildings as binding by-law. Urban design guidelines set up quality standards, determining

- what has to be safeguarded in which way and
- what can be changed to which extend.

The application of design guidelines should entail that any change to be done to a building, needs a permission which has to adhere the specifications of the design guidelines. It can be thought about that the urban design guidelines will just be applied to buildings and parts of it, which are visible from the public space (which are not could be changed according to the needs of the property owners/ tenants).

When applying design guidelines explain the specific characteristics of the townscape/ buildings and why they should be kept and on what has to be paid attention to when rehabilitating a building (use pictures demonstrating what is allowed and what not; see also the explanations for public relation and awareness raising below).

Distribute the design guidelines with explanations about the application of it and provide a list of contact person as well as qualified architects and enterprises in the area of rehabilitating historic buildings.

When developing urban design guidelines:

1. Identify the historic townscape and building characteristics, which should be safeguarded.
2. Determine design standards for these characteristics, for example
 - the maximum height of a building in the area (*in St. John for example max. 2 stories not higher than x m*);
 - the plaster of the facade (*i.e. floated coat*);
 - typical forms and designs of the windows, shutters and doors;
 - also the material of the windows, shutters and doors might be fixed (*i.e. made out of wood*).

Other elements might be allowed to be changed according to the demands of the property owners/ tenants.

3. Identify valuable buildings, which represent the architectural style of the area in a singular way. These buildings should be protected as a whole as they are. For all other (also new) buildings the scope of the urban design guidelines should be applied.
4. Offer financial incentives for buildings put under protection as a whole (*see economic incentives below*).

One reason for the lack of maintenance of the buildings seems to be that the buildings are too small for nowadays demand of housing space, so that the people do not invest in them. Due to this reason it might be thought about to allow changing 1 storey buildings to 2 storey buildings when they meet the design standards, fixed in the urban design guidelines.

Examples for economic incentives

One well functioning instrument in that area, applied all over Europe, are **rehabilitation funds** for historic buildings. Such funds provide financial support to property owners/ tenants to restore/ safeguard the historic townscape characteristics of the buildings. Such funds function in different ways. Some give *grants* to property owners to cover (parts) of the rehabilitation cost or they cover just the costs which exceed the normal costs of rehabilitation (i.e. because wooden windows are more expensive than plastic ones). Others funds give *credits free of interests*, which are to be paid back by a certain time by the owner into the fund. So the money flows back into the fund and can be reused for other buildings. The financial support can be offered for all rehabilitation activities or be limited to the elements which are visible from public space.

Another economic incentive can be **real estate tax reductions**, if the rehabilitation was done properly or the condition of the building meets certain quality standards, which i.e. the design guidelines could provide.

Example for public relation and awareness raising

Examples for public relation are **information materials, events, guided tours**, etc. These should concentrate to explain the value of the buildings in the area, which features of the buildings shape the townscape characteristics and how the restoration and safeguarding of these can benefit the development of the neighbourhood as well as the value of the owned plot (for example preserved areas lead to an increase of the land value in the area). Provide also information to architects and craftsmen, working in the field of building rehabilitation, about the proper rehabilitation of St. John's buildings to secure they are aware about the value and characteristics of these buildings.

A further indirect incentive can be the **regeneration of public infrastructure** in the neighbourhood as this can incite / trigger property owners to invest in their property (municipality as good example).

Tourism

- *What “new”/ attractive can St. John offer to tourists coming to Larnaca?*
Be realistic! St. John might be a supplement in the tourist offer, but it is not a stand-alone product!
- *Which kind of functions have to be implemented in St. John to be attractive for tourists to come?*
The church and planned local history and folklore museum can be an attraction around which complementary functions could be situated which invite tourist to stay longer. For example the street from St. John church to the playground could be converted in a pedestrian area (if the traffic flow allows it), along which shops, café, restaurant, but also service functions for inhabitants could be situated. The two open spaces by the playground could be converted in a marketplace and/or community place. Also parking space for busses and cars could be provided there.
As St. John seems to be located higher than the rest of the surrounding, it could be checked if from the top of the planned museum there is an interesting view over the surrounding to the sea/ to the city. If this is the case a look-out point could be provided there. Develop the museum concept together with the inhabitants, using their knowledge and stories about the neighbourhood (many of them live there since generations). The museum should be attractive for tourists and inhabitants.
- *Can these functions contribute to bring back derelict buildings and sites into productive use?*
- *How can this “new attraction” be integrated in the tourism routes/ products?*
For example there can be a route of churches to which St. John could be added.
- *Are there local traditions and events which could be a reason for a tourist to come to St. John?*
If, communicate it in tourist information materials and to tourist enterprises, hotels, etc.
- *How can the inhabitants benefit from the incoming tourists?*
One opportunity could be selling (locally produced) food, drink and crafts to tourist contributing to local income.

Neighbourhood regeneration

- *What are the demands and needs of the inhabitants with regard to the regeneration of their neighbourhood?*
Target your regeneration activities to satisfy these demands and needs. Match the activities of the municipality with these needs.
- Use the revitalisation process of the neighbourhood to activate the inhabitants to get involved in the regeneration process, this might even untap their man power and financial resources for the regeneration of the neighbourhood.
- Provide public space for the community where they can come together (see tourism idea of marketplace above).
- Improve the accessibility of the neighbourhood with the city centre for inhabitants and tourists (public transport – in particular for the elderly – and parking space at the rim of the neighbourhood).
- Involve the church as they are an important stakeholder for the community.

Appendix III

Summary of Workshop Reports by Visiting SURE Partners

Analysis of target area following site visit

The following data was generated through a workshop in which participants worked in small groups, each tasked with identifying challenges and opportunities for the SURE target area. Participants were also encouraged to record any issues that puzzled or concerned them.

Group A

Challenges	Opportunities
<p>Infrastructure</p> <ul style="list-style-type: none"> • Poor quality of roads • No pavements or very narrow • Lack of car parking <p>Lack of services</p> <ul style="list-style-type: none"> • No shops • No restaurant • No bus connections <p>Buildings</p> <ul style="list-style-type: none"> • Poor state of repair • No private gardens <p>Lack of public spaces and green areas</p>	<ul style="list-style-type: none"> • Old flavours of Cyprus (tourism potential) • Low density offers scope to build new apartments and create public spaces • Restored buildings could be used as guest houses and museum
Questions/Threats	
<p>There seems to be a lack of schools in the area It is unclear what the employment/unemployment situation is How can old buildings be restored if residents or owners are not willing to invest?</p>	

Group B

Challenges	Opportunities
<ul style="list-style-type: none"> • Lack of responsibility by owners to maintain buildings • Poor image of St Johns • Keeping and attracting people to the area • Change as well as protect the mentality of local residents • Regulations • Develop appropriate partnership structures to improve the area 	<ul style="list-style-type: none"> • Good location and spectacular views make this area attractive • Scope for tourism development, including faith based tourism • Potential to develop a strong brand • Strong community spirit
Questions/Threats	
<p>How to develop the capacity of the local community to tackle the challenges of St Johns</p>	

together?
 How to govern the regeneration process?
 How to develop a simple but aesthetically pleasing neighbourhood?

Group C

Challenges	Opportunities
<p>Infrastructure</p> <ul style="list-style-type: none"> • No pavements • No traffic management • Poor road surfaces <p>Sites are not cleared after demolition of buildings</p> <p>Ensuring strategic connections between the regeneration of St John and other developments in Larnaca</p>	<ul style="list-style-type: none"> • Develop and enforce architectural guidelines for the preservation of the character of the area • Develop appropriate land use policies for economic and residential uses • Do archaeological excavations on underused land to uncover more of the local history • ULSG to be creative in identifying opportunities for economic development
<p>Questions/Threats</p> <p>Why are people not selling their property when they don't live in St John? How to create incentives for home owners to improve their houses? Is the sufficient data to make 'good' decisions on the future of St John? What is the consultation process, whose plan is it to regenerate St John? Whose ideas are being pursued at present – those of the municipality or those of residents? Are there underlying tensions between the different communities in St John? How secure are resources for the regeneration of ST John outside the EU structural funds? If I disagree with the church and I live in St John do I have a problem?</p>	

Strategic Priorities

The following priorities were identified by participants in the plenary session at the end of the study visit. They are presented in no particular order of priority.

- Local people must be at the centre of the regeneration process
- Do not change the nature of St Johns
- Deeper relations with the local community are needed
- More community involvement and consultation
- Residents should tell us what their priorities are
- The Local Action Plan needs a higher profile
- Focus on the tensions between economic interests and heritage conservation
- Explore tensions between tourism development and interests of residents
- Social problems are bigger than infrastructure problems
- St John is not an infrastructure project but a social/economic project
- Develop strategic funding package
- Connect St John better with surrounding neighbourhoods
- Connect the Local Action Plan with other strategies